



HORIZON 2020

**The New EU
Framework Programme for
Research and Innovation
2014-2020**

Legal and financial issues



1. Horizon 2020 rules for participation

2. H2020 Model Grant Agreement

1. A single set of rules



- Based on the new Financial Regulation and its Rules of Application;
- Covering all H2020 research and innovation actions (ex CIP, art.185 and art. 187 initiatives, EIT, Euratom);

2. Conditions for Participation

Minimum conditions

✓ Standard collaborative actions

At least three legal entities each established in a different Member State or an Associated Country;

✓ ERC, SME instrument, programme co-fund, coordination and support, training and mobility actions:

One legal entity established in a Member State or in an Associated Country.

Additional Conditions

✓ To be set out in the work programme (e.g. number of participants, type of participants, etc.)

3. Evaluation of proposals

STANDARD AWARD CRITERIA

EXCELLENCE

IMPACT

**QUALITY &
EFFICIENCY
OF THE ACTION**

- ✓ **ERC** frontier Research actions >>> only EXCELLENCE
- ✓ **Innovation actions** >>> higher weighting for "IMPACT"

4. Time to grant: speeding up the process - I

A maximum TTG of 8 months

5 months

for informing all applicants
on scientific evaluation

3 months

for signature of GA

Some exceptions apply:

ERC, duly justified cases (complex actions) or where requested by applicants

5. Time to grant: speeding up the process - II

How to speed up the process

- ✓ **No more negotiations:**
each proposal evaluated 'as it is',
not as 'what could be';
- ✓ **Legal entity validated in parallel.**
- ✓ **No more paper:**
e-communication & e-signature of grants.

The screenshot shows the top navigation bar of the Participant Portal, including the European Commission logo, the text 'RESEARCH & INNOVATION Participant Portal', and a breadcrumb trail: 'European Commission > Research & Innovation > Participant Portal > Home'. Below this is a menu with 'HOME', 'FUNDING OPPORTUNITIES', 'HOW TO PARTICIPATE', 'EXPERTS', and 'SUPPORT'. On the right, there are 'LOGIN' and 'REGISTER' buttons. The main content area features a welcome message: 'Welcome to the Research and Innovation Participant Portal'. It is divided into two columns: 'About the Participant Portal:' and 'Using the Participant Portal:'. The 'About' section explains the portal's role in the electronic administration of EU-funded research and lists supported EU programmes: the 7th Framework Programme for Research and Technological Development (FP7) and the Competitiveness and Innovation Framework Programme (CIP). The 'Using the Portal' section provides instructions for guest users (searching for funding, downloading documents, and contacting support) and registered users (benefiting from personalised services). At the bottom, there is a row of six icons with labels: 'WHATS NEW', 'FUNDING OPPORTUNITIES', 'HOW TO PARTICIPATE?', 'WORK AS AN EXPERT', 'ACCESS MY PERSONAL AREA', and 'INFORMATION AND SUPPORT'.

6. Forms of funding - I

Under H2020 funds will be distributed via:

- ✓ **Grants,**
- ✓ **Prizes,**
- ✓ **Procurement,**
- ✓ **Financial instruments**



For Grants we keep the use of actual costs but also:

- ✓ **Possibility of output-based grants (lump-sums per project: SME instrument phase 1).**
- ✓ **Enhanced use of other lump-sums and unit costs.**

7. Forms of funding - II

What is **NEW**

✓ **Specific provisions targeting innovation:**

- pre-commercial procurement,
- procurement of innovative solutions,
- and inducement prizes.

✓ **Financial instruments:**

- a debt facility,
- a financial instrument providing equity finance for R&I, etc.

8. A single funding rate

FP7

Maximum reimbursement rates	Research and technological development activities (*)	Demonstration activities	Other activities
Network of excellence	50% 75% (**)		100%
Collaborative project(***)	50% 75% (**)	50%	100%
Coordination and support action			100% (***)

(*) Research and technological development includes scientific coordination.

(**) For *beneficiaries* that are *non-profit public bodies*, secondary and higher education establishments, *research organisations* and *SMEs*.

(***) The reimbursement of indirect eligible costs, in the case of coordination and support actions, may reach a maximum 7% of the direct eligible costs, excluding the direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the *beneficiary*.

(****) Including research for the benefit of specific groups (in particular SMEs)

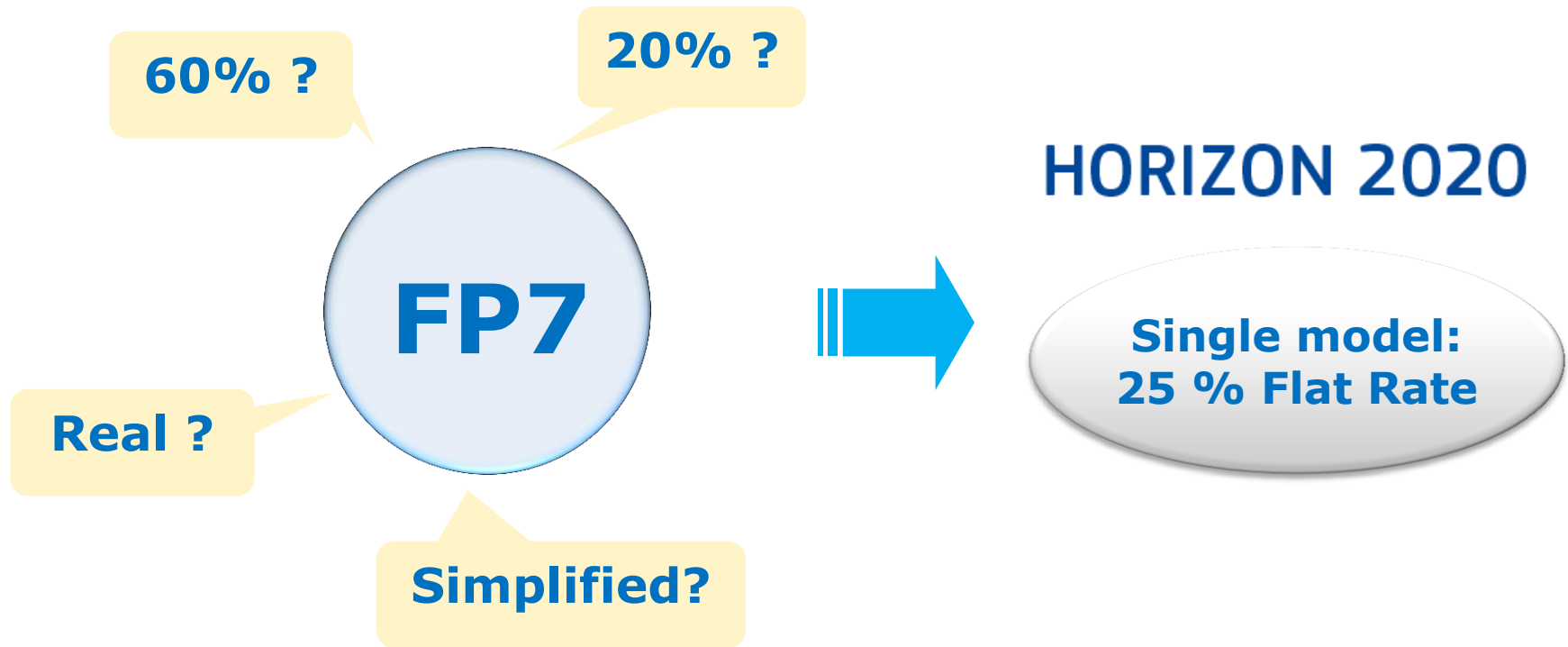
HORIZON 2020

One project = One rate

- ✓ For all beneficiaries and all activities in the grant.
- ✓ Defined in the Work Programme:
 - Up to 100 % of the eligible costs;
 - but limited to a maximum of 70 % for innovation projects (exception for non-profit organisations - maximum of 100%).



9. Single indirect cost model



10. Forms of costs

Personnel costs

- ✓ **Actual costs or unit costs calculated by the beneficiary in accordance with its usual cost accounting practices.**
- ✓ **Acceptance of supplementary payments**
for non-profit organisations of up to 8000 euros/year/person
- ✓ **Less requirements for time records**



11. Controls and Audits

Financial viability → Restricted to coordinators for projects \geq €500 k€

Audit certificates

→ Only for final payments and per beneficiary for actual costs \geq €325 000 €

→ Optional Certificates on average personnel costs

Ex-post audits

→ Commission's audits up to two years after payment of the balance

→ Audit strategy focused on risk and fraud prevention

Guarantee Fund

→ Continuity with FP7

12. International Cooperation - I

Participation

Open for all legal entities established in third countries and for international organisations.

Restrictions only possible if introduced in the work programme:

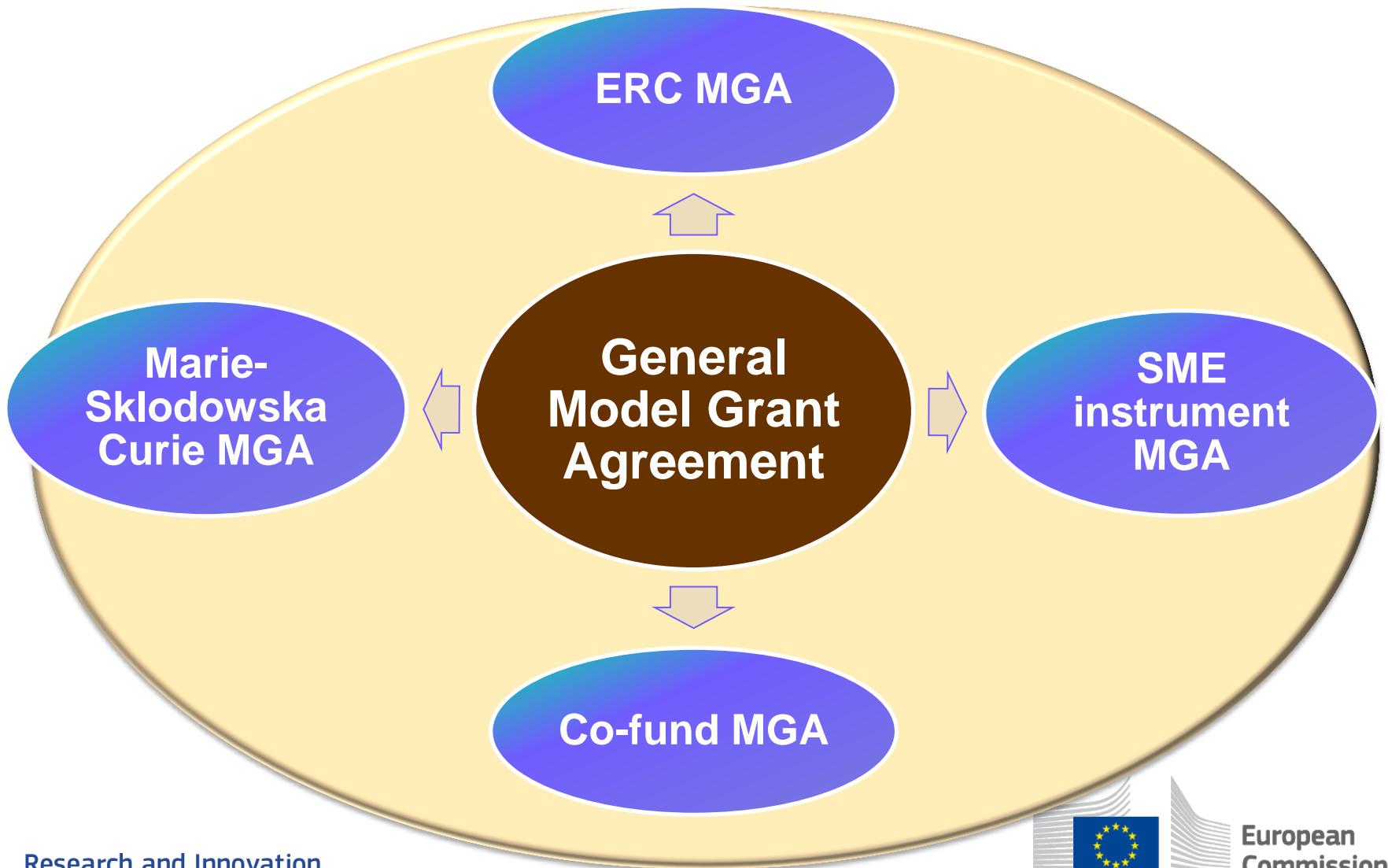
- ✓ **For reciprocity reasons;**
- ✓ **For security reasons.**



1. Horizon 2020 rules for participation

2. H2020 Model Grant Agreement

Various types of MGAs





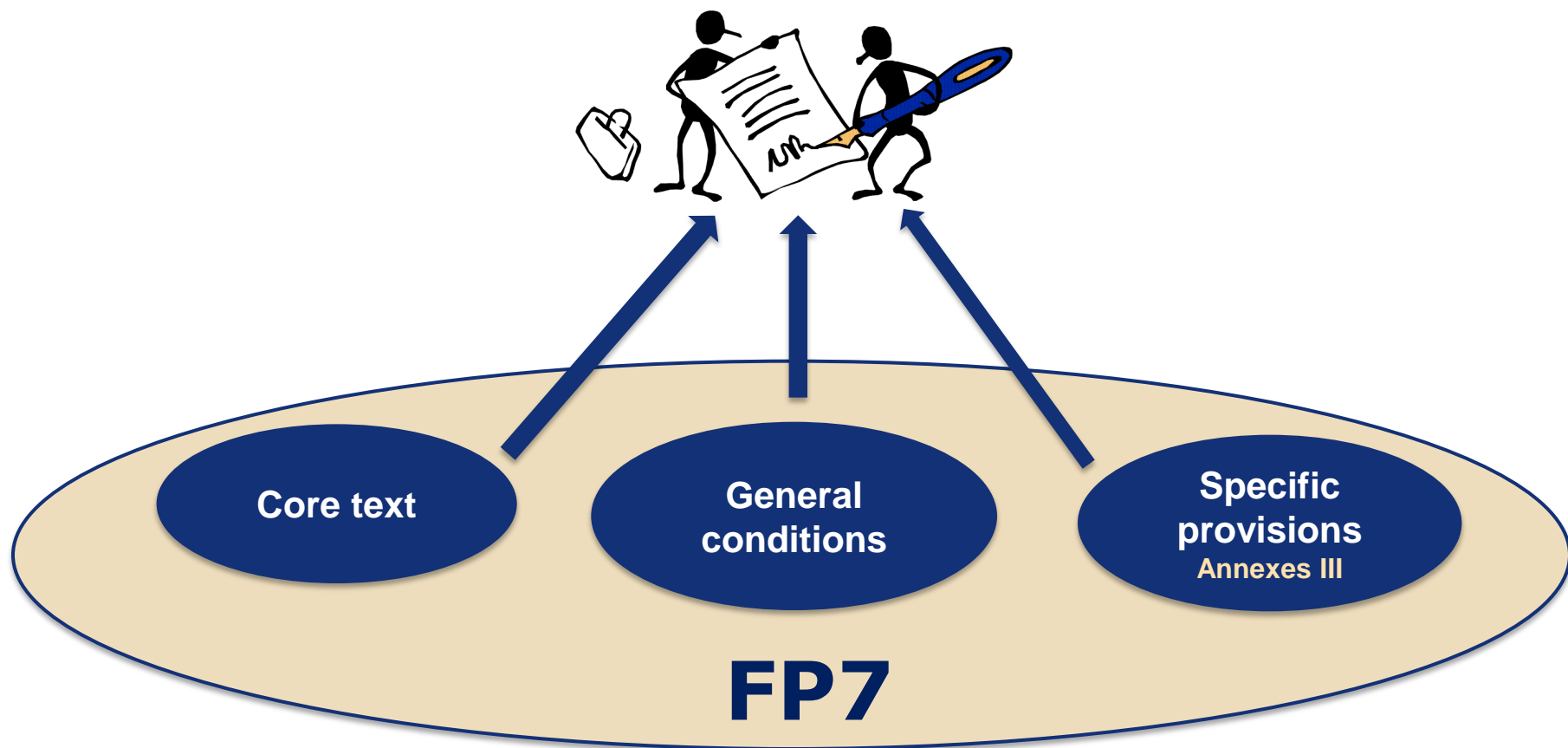
Grant Agreement

HORIZON 2020

Some novelties

- ✓ Global architecture common with the other EU programmes; with all the possibilities offered by the new FR
- ✓ Terminology: terms and meanings defined in the Financial Regulation except for those terms specific to H2020
- ✓ On-line explanations for each part of the grant ("annotated GA")
- ✓ Simplified wording revised by a specialised service of the Commission

A single document with all provisions :



Chapter 1: General

- Single article: subject of the agreement

Chapter 2: Action

- Action, duration and budget

Chapter 3: Grant

- Amount, rates, eligible costs

Chapter 4: Rights and obligations

- To implement the action: resources, in-kind contributions, subcontracts
- Grant administration: reporting, payments, audits
- Background and results: access rights, protection of results, exploitation, dissemination
- Others: gender equality, ethics, confidentiality

Chapter 5: Division of roles

- Roles and responsibilities, internal arrangements

Chapter 6: Rejection, reduction, penalties, termination, etc

- Rejection, reduction, recovery and penalties
- Suspension and termination of the action

Chapter 7: Final provisions

- Accession, entry into force, amendments, applicable law

The Annexes to the grant

Annex 1: **Description of the action**

Annex 2: **Estimated budget**

Annex 3: **Accession Forms**

Annex 4: **Financial statements**

Annex 5: **Certificate on the financial statements**

Annex 6: **Certificate on the methodology**

Electronic communication for the management of the GA

Electronic signature

- ✓ Of the Grant Agreement
- ✓ Of the Amendments
- ✓ Financial Statements and reports

Communication between the EC and the beneficiaries

- ✓ Through the Participant Portal
- ✓ Electronic-only submission of reports as a general rule



HORIZON 2020

**Thank you
for your attention!**

Find out more:
www.ec.europa/research/horizon2020