

Presentation on Financial and Administrative activities

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New in HORIZON 2020

One Reimbursement rate by action:

- Up to 100% for Research and Innovation actions
- Same reimbursement rate for all beneficiaries and all activities in one grant (there is no more the distinction of the funded % between different activities)

One method for calculation of indirect costs:

- Flat rate of 25% of total direct costs, excluding subcontracting, in-kind contributions out of Beneficiaries' premises

Electronic signature of grants and amendments:

- to simplify and speed up administrative procedures

~~FP7~~

| Maximum reimbursement rate | 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% (***) |

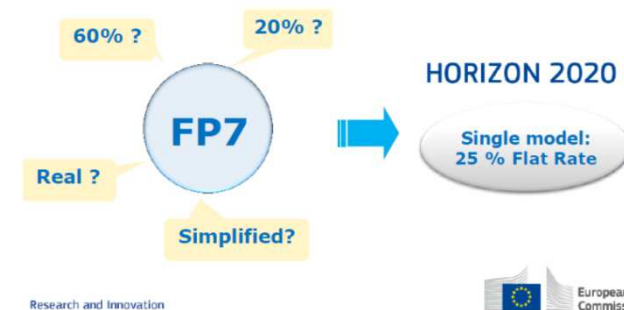
(*) Research and technological development includes scientific coordination.
 (**) For beneficiaries that are non-profit public bodies, secondary and higher education establishments, research organisations and SMEs.
 (***) The reimbursement of indirect eligible costs, in the case of coordination and 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, citizens).

Research and Innovation

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%).



The Payment principles in H2020

| | Time-to-Pay | From |
|--------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------|
| One Pre-financing | 30 days | From: entry into force or 10 days before the starting date (whichever is the latest) |
| → Retention 5 % of maximum grant for the Guarantee Fund | | |
| Interim Payment | 90 days | From reception of periodic report |
| → Based on financial statements (EU contribution = eligible costs approved * reimbursement rate) | | |
| → Limit = 90 % of the maximum grant (Retention 10%) | | |
| Payment of the Balance | 90 days | From reception of final reports |



The Payment principles in the CA

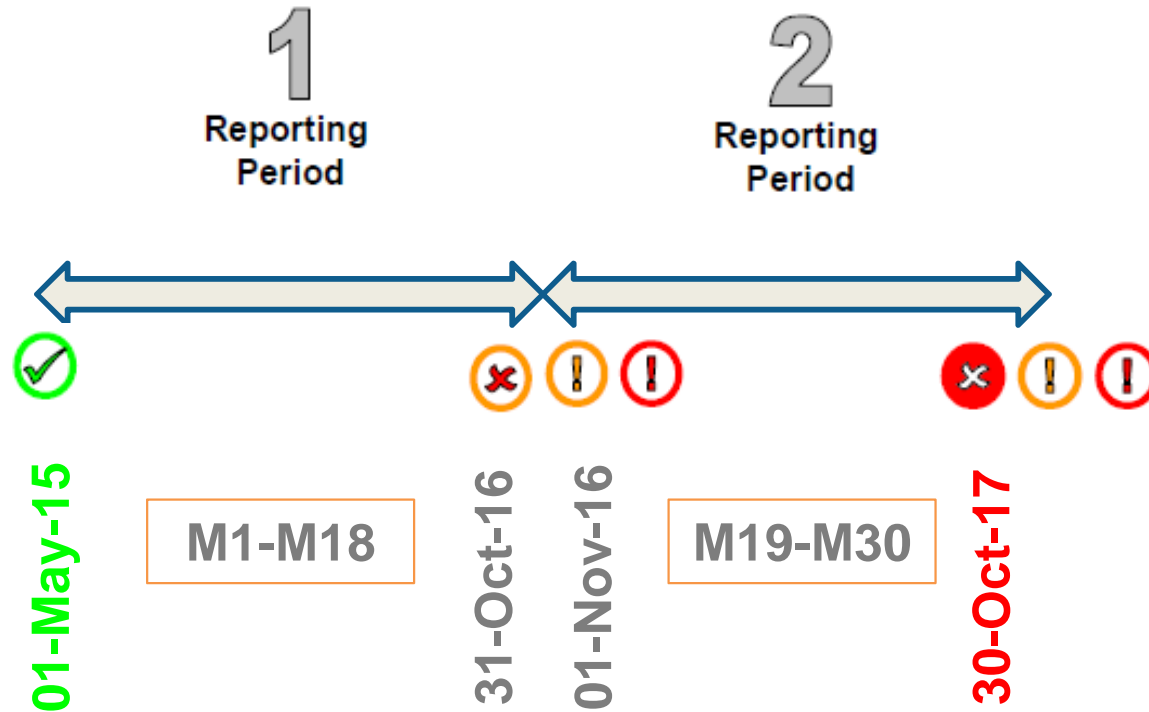
- The amount of the **pre-financing** is based on the planned budget for the first reporting period (limited to the available funding)
- The amount of the **interim payment** is calculated according to the following rules:
 - **55% of the budgeted funding for the second reporting period;**
 - **The settlement between the total funding previously received and the amount reported in the Financial Statement and accepted by the EC.**



Timeline for Reporting to the EC

Roll2Rail/IT2Rail: Project duration: 30 months, 2 reporting periods

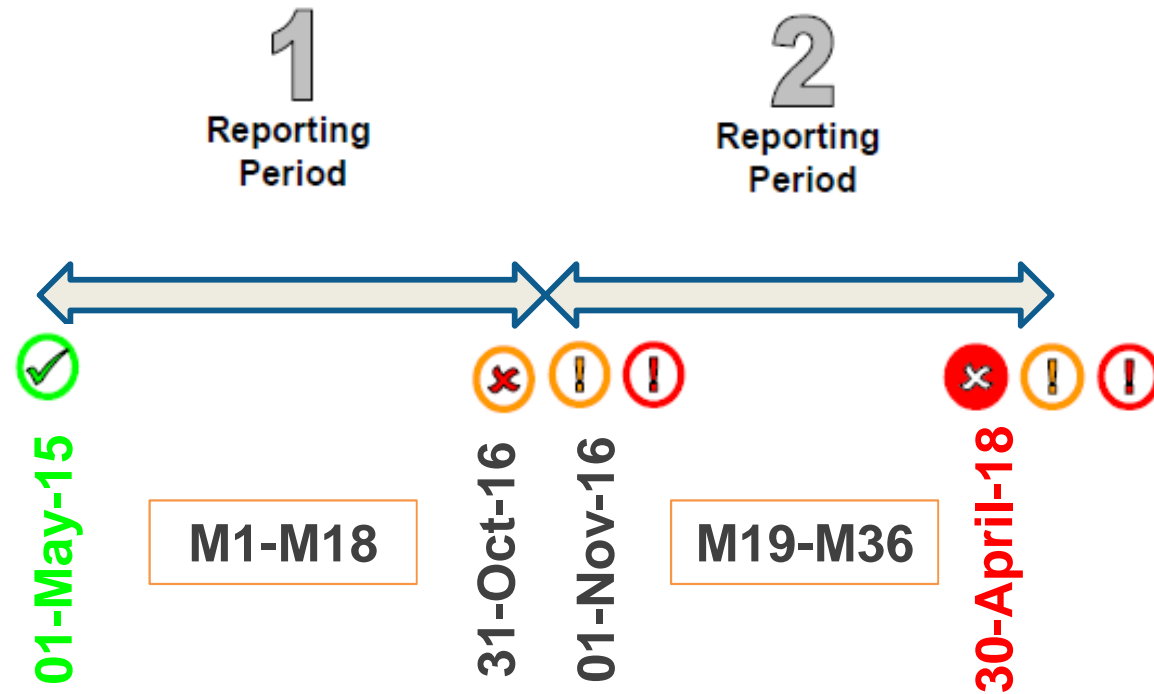
- The reporting to the EC will be done in **M18** and **M30**



Timeline for Reporting to the EC

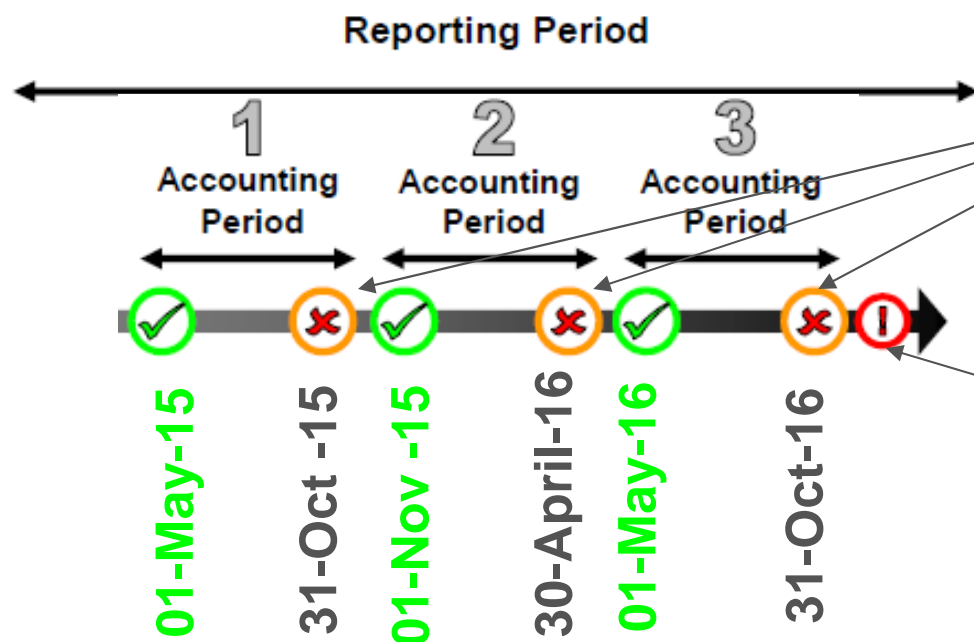
In2Rail: Project duration: 36 months, 2 reporting periods

- The **reporting to the EC** will be done in **M18** and **M36**



Timeline for Accounting to the Coordinator

- Internal **Accounting Periods**: every **6 months** of each Reporting Period
- **Example for First Reporting Period (applicable to all the projects):**



Every Accounting Period, the expenses account should be submitted to the coordinator using an online tool

At the end of the Reporting Period, beneficiaries will upload on the EC website the data reported and sign electronically

- ✔ Start of accounting period
- ✘ End of the accounting period
- ⓘ End of reporting period



Principles for Internal Expense Accounting

■ Objectives

- to **keep track** of the overall expenditures, **identifying possible problems** as soon as possible;
- to **facilitate** the preparation of the **Financial Reports** requested by the Contract.

■ Accounting

- The expenses incurred by each Beneficiary/Linked third party:
- **Effort (Person-Months);**
- **Eligible Costs, including:**
 - **Personnel costs**
 - **Travel costs**
 - **Equipment costs**
 - **Other goods and services**
 - **Subcontracting cost**
 - **Contributions in-kind**
- Each of the above listed typologies of expenses shall be reported separately for **each WP at WP/task level.**



Reporting documents required by the EC: Overview

- There is a **contractual obligation** to prepare the periodic and final reports requested the **Grant Agreement**.
- The Funding Authority **evaluates the reports and deliverables** assisted in this task by independent experts through technical project reviews.
- **Payments** shall be made after the Funding Authority's **approval of reports and/deliverables** (except for pre-financing).



Periodic reports - Requests for interim payments

- The coordinator must submit a periodic report within 60 days following the end of each reporting period.
 - a **'periodic technical report'**:
 - an **explanation of the work carried out** by the beneficiaries;
 - an **overview of the progress** towards the objectives of the action, including milestones and deliverables identified in Annex 1.
 - a summary for publication by the Commission ;
 - the answers to the **'questionnaire'** on action implementation and the economic and societal impact;
 - a **'periodic financial report'**:
 - an **'individual financial statement'** from each beneficiary [and from each linked third party]
 - an **explanation of the use of resources** and the **information on subcontracting and in-kind contributions** provided by third parties from each beneficiary [and from each linked third party]
 - a **'periodic summary financial statement'**, created automatically by the electronic exchange system



Final report - Request for payment of the balance

- the coordinator must submit the **final report** within 60 days following the end of the last reporting period. The final report must include the following:
 - a **'final technical report'** with a summary for publication containing:
 - an **overview of the results and their exploitation and dissemination**;
 - the **conclusions on the action**, and
 - the **socio-economic impact of the action**;
 - a **'final financial report'** containing:
 - a **'final summary financial statement'**, created automatically by the electronic exchange system,
 - a **'certificate on the financial statements'** (CFS) for each beneficiary [and for each linked third party] (**new – only at the end of the project / 325KEUR direct cost threshold**).



Contractual Documents



IT2Rail

Grant Agreement signed on: **28 April 2015**

Consortium Agreement signed on: **02 March 2015**



Roll2Rail

Grant Agreement signed on: **27 April 2015**

Consortium Agreement signed on: **02 March 2015**



In2Rail

Grant Agreement signed on: **28 April 2015**

Consortium Agreement signed on: **02 March 2015**



Changes to the Grant Agreement

- Should a Beneficiary require to **modify the Grant Agreement or the Technical annex**, (address, legal status of their company, budget shifts, etc), please contact the Coordinator in order to inform EC and ask additional documents (e.g. justification letters, if required).



Next steps

Grant agreement (GA) signed by the EC and the Coordinator



Accession form to be signed by Beneficiaries (PLSIGN) within 30 days after GA entering into force



Pre-financing to be received 30 days from the starting date of the action or from the entry into force of the Agreement, whichever is the latest.



Pre-financing to be paid by the coordinator to the Parties no later than 10 working days from the date of payment by the Funding Authority



Contact on financial and administrative issues

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Thanks!

