

FP7 and Energy New opportunities for Scotland

Rules of participation and IPR

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Generals

- 3 independent participants from 3 different Members States (MS) or Associated countries (AC)
- Single persons may participate
- JRC may participate and is deemed to be from a different MS or AC
- Additional conditions can be established by the work programmes (WP) or specific programmes (SP)

Specific

- Frontier research action (ERC): at least 1 legal entity established in a MS or AC
- Coordination and support
- Collaborative projects addressing the participation for international cooperation partner countries (ICPC/INCO) – minimum is 4 participants
- In all the other cases participation of international organisations and participants from third countries if in addition to minima

Submission

Calls for proposals always except:

- Coordination and support actions
- Purchase of a good or service by the Community (Tender)
- Appointment of independent experts
- Other actions = Financial Regulation or its implementing rules

Implementation

- Participants implement work jointly (no more financial collective responsibility like in FP6)
- Commission to assess risk of default (Guarantee Fund-EIB)
- If implementation of the project is impossible or participants fail to implement it, the Commission shall ensure termination
- Consortium agreements obligatory unless exempted by call for proposals LSP + SSP no CA & SA
- Coordinator acts as interface between consortium and Commission
- Changes in consortium membership possible

Community financial contribution

Eligibility for funding:

- Legal entities from MS and AC created under Community law and JRC
- International European interest organisations
- Legal entities established in international cooperation partner countries (ICPC-INCO)
- International organisations, legal entities established in third countries other than INCO, if provided for in SP or WP

Funding schemes

- Collaborative projects
 - Collaborative Large Scale Projects (IP)
 - Collaborative Small Scale Projects (STREP)
- Networks of Excellence
- Coordination and support actions
- Individual projects: Support for frontier research
- Support for training and career development of researchers
- Research for the benefit of specific groups (in particular SMEs)

Forms of grants and cost models

Forms of grants

Reimbursement of eligible costs

- Direct cost
- Flat rates for indirect costs as a % of direct costs or scales of unit costs
- Lump sum amounts

Combination of the above

- Cost reporting models eliminated
- Participants charge direct and indirect costs
- For indirect costs flat rate is an option
- For certain participants indirect costs can be calculated using a simplified method to be established in the grant agreement
- Co-financing and no profit as a general rule

Reimbursement of eligible costs

- Most funding schemes particularly at beginning of FP7 will use reimbursement of eligible costs
- Eligible means actual, incurred during the project, used solely to achieve project objectives, consistent with principles of economy, efficiency and effectiveness, recorded in accounts
- Average personnel costs may be used if consistent with above and do not differ significantly from actual
- May be combined with lump sums and/or flat rates for certain items of a project
- Audit certificates continued but rationalised

Lump – sum financing

- Greater use of lump sum or flat rate financing in future for certain actions - Coordination and Support Actions, Marie Curie
- NoE - €23 000 per researcher per year
- Lump sums include scales of unit for other types of costs
- Lump sums do not require justification of real costs or certification
- Payments based on assessments of progress in implementing the joint programme of activity

Flat rate financing

- Flat rates for personnel costs, equipments etc
- Flat rates can be used for indirect costs
- Flat rates for indirect costs on the basis of a close approximation to the real costs and to be set out in the grant agreement
- Flat rates for indirect costs could vary accordingly to funding scheme
- Flat rate for indirect costs for organisations that can not establish their indirect costs precisely is fixed for 2007-10 and decreased rate 2010 onwardws

Maximum funding rates

- Research and technological activities: 50% of eligible costs except for:
 - Public bodies 75%
 - Secondary and higher education establishments 75%
 - Research organisations (non profit) 75%
 - SMEs 75%
- Demonstration activities 50%
- Other activities 100% including management
- Frontier research actions 100%
- Training and career development of researchers actions 100%
- Receipts to determinate the final Community financial contribution

Guarantee mechanism

- Participants contribute a small% of their EC financial contribution to insure against losses of a defaulting partner (5%) – repaid minus interests if successful completion and cost to justify payment
- Public bodies, secondary and higher education would not contribute and neither would participants in certain types of funding schemes (training, frontier research, actions for benefit of specific groups except SMEs)

Intellectual Property provisions

- Pre-existing know-how (FP6) becomes background (FP7) which is:
 - Held by participants prior to their accession to the grant agreement (no side ground)
 - Which is needed for carrying out the project or for using its results
 - No needed to exclude from access
- Knowledge (FP6) becomes foreground (FP7)

Intellectual Property provisions

- Ownership: each participant owns the foreground it generates
 - Joint ownership (in absence of specific agreement default joint ownership regime applies)
 - Any owner can grant non-exclusive licenses to third parties, subject to prior notification and fair and reasonable compensation to the other owner(s) with non right to sub-licence
- Transfer of ownership of foreground
 - Prior notification only to the other participants who may waive their rights to be notified in advance
 - Requirement to notify Commission may be in the grant agreement
Commission may object to transfer or exclusive licenses to third parties if contrary to ethical or competitiveness principles

Intellectual Property provisions

Protection, use, dissemination (publications)

- Foreground capable of industrial or commercial application must be protected (legitimate interests of participant)
- Owner of foreground may transfer to another participant if it does not wish to protect or to the Commission
- Foreground must be used and disseminated
- Notice of dissemination (including publication) to be given to other participants (not Commission unless no protection)
- Publications and patent applications must indicate Community assistance involved

Intellectual Property provisions

Access rights

- Participants define the background they need and may exclude access but not necessarily prior to signature of EC grant agreement
- Requests for access rights within one year or other period to be agreed by participants
- Possible to grant exclusive licenses to background and foreground if other participants waive their rights
- Commission no longer informed of granting of access rights to third parties
- Special provisions for certain types of actions e.g. Frontier research, research for the benefit of special groups, security research

European Investment Bank (EIB)

Risk-Sharing Financial Facility (RSFF)

- The Community awards a grant to the EIB to cover risk of loans (or guarantees)
- The EIB shall provide these loans (or guarantees) in a fair, transparent, impartial and equal way
- The Commission may object to the use of the RSFF for certain loans on terms defined in the grant agreement in accordance with the WP

SPAF – National Support to SMEs

Who:

Scottish SMEs or application with a relevant input

What:

- Strand 1 FP7 Cooperation Programme 75%
 - £30 000 when leader
 - £5 000 when partner
- Strand 2 FP7 Capacities, Ideas and People programmes
 - £10 000 when leader
 - £5 000 when partner
- Strand 3 on a case by case basis (travels and accomodation) 50%

Thank you

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