



European Research Council

Guide for ERC Grant Holders

[Final version July 2012]

Disclaimer: This Guide includes two main parts: firstly an ERC grants descriptive part, explaining the different types of ERC grants and highlighting their distinctiveness. Secondly, it contains an Addendum to the 'Guide to Financial Issues relating to FP7 Indirect Actions' aimed to assist grant holders, whether Principal Investigator or Host Institution, in managing the ERC grants. It is provided for information purposes only and its contents are not intended to substitute consultation of the relevant legal sources or the necessary advice of a legal expert, where appropriate. Neither the Commission/ERCEA nor any person or body acting on its behalf can be held responsible for the use made of this text.

This Guide is published by the ERCEA on <http://erc.europa.eu>. It can also be downloaded from the CORDIS page on <http://cordis.europa.eu>.

Please consult the CORDIS website regularly for any updated version of the present document.



EUROPEAN
COMMISSION
FP7 Specific Programme
IDEAS



TABLE OF CONTENTS

PART I GENERAL GUIDE FOR ERC GRANT HOLDERS	5
1. TYPES, STRUCTURE AND PARTICULARITIES OF THE ERC GRANT AGREEMENTS	6
1.1. Types of ERC grants:	6
1.2. Structure of the ERC Grant Agreements:.....	7
1.3. Particularities of ERC Grants.....	9
➤ Principal Investigator (PI).....	9
➤ Research Team.....	10
➤ Host Institution (HI).....	11
➤ Supplementary Agreement.....	13
➤ Principle of Portability.....	13
➤ Direct and indirect costs - upper funding limit.....	14
➤ Reporting and payments.....	15
1.4. Intellectual Property Rights	17
2. AMENDMENTS AND TERMINATION	18
3. DISSEMINATION ACTIVITIES.....	19
4. FURTHER INFORMATION AND SUPPORT	20
5. GLOSSARY	21
PART II - ERC ADDENDUM TO GUIDE TO FINANCIAL ISSUES RELATING TO FP7 INDIRECT ACTIONS	24
6. FINANCIAL SPECIFICITIES FOR ERC STARTING GRANTS AND ADVANCED GRANTS.....	25
6.1. Article 5.2 of ECGA – Financial content of Annex I to ECGA	25
6.2. Article II.2 of ECGA - Organization of the consortium and role of coordinator.....	26
6.3. Article II.4 of ECGA – Reports and deliverables.....	27
6.4. Article II.4.4 of ECGA – Certificate on the financial statements and certificate on the methodology.....	29
6.5. ERC Multi-beneficiary projects	30
6.6. Article II.7 of ECGA – Subcontracting	30
6.7. Article II.14.1 – Eligibility criteria – under the title 'Acceptability criteria for average personnel cost'.....	32
6.8. Article II.14.2 of the ECGA – Costs of third parties – Costs of resources made available and costs of third parties carrying out part of the work	33
6.9. Article II.15 of ECGA – Identification of direct and indirect costs	34
➤ «1. Direct costs - (a) The cost of personnel assigned to the project» (pp. 54-55)	34
➤ «1. Direct costs - (a.3) Working hours and productive hours» (pp 57-58).....	34
➤ «2. Indirect costs» (pp 67-77)	36
7. FINANCIAL SPECIFICITIES OF COORDINATION AND SUPPORT ACTIONS (CSAs), INCLUDING PROOF OF CONCEPT	37
8. ANNEX I – CHANGE OF HOST INSTITUTION	39

8.1. <i>Introduction</i>	39
8.2. <i>Main steps of the Amendment Procedure:</i>	40
9. ANNEX II – ERC SPECIFIC PROCEDURE FOR TERMINATION OF A GRANT AGREEMENT FOLLOWING SITUATIONS WHERE THE PRINCIPAL INVESTIGATOR IS NO LONGER IN POSITION TO CONTINUE WORK UNDER THE ERC PROJECT	42
9.1. <i>Requested documents</i>	42
9.2. <i>Timeline of the procedure</i>	43
9.3. <i>Establishment of the debt owed</i>	43
10. ANNEX III: Characteristics of beneficiaries	46
11. ANNEX IV: Third Parties comparison	47
12. ANNEX V: Template of ERC financial report	49
13. ANNEX VI: Template for Scientific Reporting	60

PURPOSE OF THE GUIDE FOR ERC GRANT HOLDERS

The present guide underline the specificities of the European Research Council (ERC) Grant Agreements (ERCGA), as regards the management and procedures applied to them, whenever they are different from the general FP7 Model Grant Agreement. It complements the *Guide to Financial Issues relating to FP7 Indirect Actions* and replaces the *ERC Guide for ERC Grant Holders*, of June 2008, Part I and Part II.

It provides practical information to both potential applicants for ERC grants, as well as to the on-going grant holders. It intends to be remaining practical and easy for daily consultation by specialised administrators within the Host Institutions, as much as by scientists.

The first part – explicative guide for ERC Grant Holders is built around the structure of Annex II (General ERC Conditions to the ERC GA).

The second part - Financial Addendum mirrors the structure of the *Guide to Financial Issues relating to FP7 Indirect Actions*.

The Guide as a whole:

- provides information on the management of ERC funded projects;
- describes the application of ERC specific procedures (e.g. change of Host Institution);
- offers reporting guidance (managerial and financial).

The guide provides only an interpretation of the legal provisions (Grant Agreement, Annex II – General Conditions, FP7 Rules for Participation¹, etc) applicable to ERC projects. They do not substitute the relevant legal basis and should be read in association with it. Only the provisions of the Rules for Participation of the Seventh Framework Programme, the Financial Regulations and the signed Grant Agreements and their Annexes are legally binding.

This Guide will be updated regularly whenever there is a need to adapt the FP7 legal basis or the *Guide for Financial Issues relating to FP7 Indirect Actions* to the ERC environment² and will be made available together on the ERC website, and the Participant Portal.

Host Institutions or Principal Investigators may address their questions to the following enquiry mailboxes:

- For general questions to FP7 enquiry system.: <http://ec.europa.eu/research/enquiries>
- For ERC specific financial or contractual questions to the ERC Grant Management unit: ERC-C2@ec.europa.eu or ERC-C2-PI-HELPDESK@ec.europa.eu

¹ <http://cordis.europa.eu/documents/documentlibrary/82556101EN6.pdf>

² ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

PART I
GENERAL GUIDE
FOR ERC GRANT HOLDERS

1. TYPES, STRUCTURE AND PARTICULARITIES OF THE ERC GRANT AGREEMENTS

The ERC Grant Agreements differ on several aspects from the general FP7 Grant Agreements. Each one possesses distinctive traits as described below.

Grant holders are advised to read carefully, in each case, the respective ERC Model Grant Agreement and its Annexes³ which establish the binding legal framework for the project's funding and administration, as well as the annual Work Programme corresponding to their call ((C (2007)1625, 16/04/2007; <http://erc.europa.eu/document-library>)⁴.

1.1. Types of ERC grants:

Currently, **the following types of grants** exist under the IDEAS Specific Programme:

"Frontier research"

- (i) *ERC Starting Independent Researcher Grants (StG)*;
- (ii) *ERC Advanced Investigator Grants (AdG)*;
- (iii) *ERC Synergy Grants* – introduced by the Work Programme 2012⁵.

"Coordination and Support Actions" (CSA), in particular as:

- (iv) *Proof of Concepts grants (PoC)* - introduced in the Work Programme 2011⁶.

(i) and (ii) ERC Starting and Advanced Grants:

ERC Starting Grants support up-and-coming research leaders, who are about to establish or consolidate a proper research team and to start conducting independent research in Europe.

Advanced Grants allow exceptional established research leaders to pursue ground-breaking, high-risk projects that open new directions in their respective research fields or other domains.

Both types of grants aim to fund high quality frontier research and contribute thereof to the positioning of European research in a leading worldwide position.

(iii) Synergy Grants:

Synergy grants are intended to enable a small group of Principal Investigators and their teams to bring together complementary skills, knowledge and resources in order to jointly address research challenges. They are expected to lead to scientific breakthroughs that would not be

³ available at <http://erc.europa.eu/document-library>

⁴ Grant holders' attention is also drawn to the definitions of terms used in the ERC MGA which are explained in Article II. 1 of the ERC MGA Annex II – General Conditions.

⁵ http://erc.europa.eu/sites/default/files/document/file/erc_2012_work%20programme.pdf ERC Synergy Grants will be outlined in PART 1 of this Guide, but will not yet be covered extensively in the Financial addendum, as no call was yet launched

⁶ http://erc.europa.eu/sites/default/files/document/file/erc_work_programme_2011_revised.pdf

possible to achieve by an individual Principal Investigator working alone. This grant was introduced as from Work Programme 2012.

(iv) Coordination and Support Actions (including Proof of Concept):

The *Coordination and Support Actions* (CSA) are intended to monitor and evaluate the IDEAS Programme’s implementation, to assess its performance and make eventual adjustments in order to reach its intended objectives.

Proof of Concept ERC grants represent a specific type of CSA action launched as from the Work Programme 2011⁷. It offers opportunities to fund the earliest stages of an innovation, where the commercial potential of a theoretical scientific result is verified through testing or prototypes, through the identification of a potentially appropriate market.

Proof of Concept funding can be provided only to Principal Investigators already benefitting either an ERC Starting or an ERC Advanced Grant.

1.2. Structure of the ERC Grant Agreements:

Core Grant Agreement	
Prepared by the ERCEA in consultation with ERC grant holders – PIs and HIs	Lists standard provisions e.g. the name of the HI and of the PI, the duration of the project and the allocated grant as well as the reporting periods. If needed, specific legal provisions can be introduced under Article 7 on a case by case basis, by means of predefined special clauses.
Special Clauses	<p>Several special clauses may apply to ERC Grant Agreements (under Article 7):, in particular:</p> <ul style="list-style-type: none"> • Reduction of the flat rate of 20% applicable for indirect costs in ERC Starting, Advanced Grants, Synergy Grants (<i>Special Clause 8</i>). • Conversion of the ERC single-beneficiary grants into multi-beneficiary grants (<i>Special Clause 30</i>). • Increased accessibility to foreground originating from the ERC grants via open access policy (<i>Special Clause 39</i> on open access). • Measures to facilitate the transfer of equipment, in view of the implementation of portability (<i>Special Clause 40</i> – Transfer of equipment in the case of transfer of a grant agreement to a new beneficiary). • For CSA grants: to allow for actions aimed at confirming the applicability potential of ERC research outcome, via Proof of

⁷ http://erc.europa.eu/sites/default/files/document/file/erc_work_programme_2011_revised.pdf

	<p>Concept funding (<i>Special Clause 41</i>).</p> <p><i>The exhaustive list of predefined Special Clauses is available at: ftp://ftp.cordis.europa.eu/pub/fp7/docs/fp7-lga-clauses_en.pdf</i></p>
Annex I - Description of Work	
Prepared mainly by PIs	Annex I describes the work to be carried out under the project, as established by the Principal Investigator and agreed by the selection panel. It includes an indicative breakdown of the budget, the description of team's structure, as well as of co-operation with other consultants, scientists or third parties. The Description of Work shall include also the time percentage devoted by the Principal Investigator to the supervision of the grant, which should respect the thresholds imposed by the respective Work Programmes.
Annex II - General Conditions	
Supplied by the ERCEA	Defines obligations of the parties to the grant agreement. This Annex is not, under any circumstances, subject to amendments.
Annex III - Accession Form	
Supplied by the ERCEA	Used in a multi-beneficiary configuration by beneficiaries other than Host Institution, to accede to the ERC Grant Agreement.
Annex IV - Model of Financial Statement	
Supplied by the ERCEA	Particularly relevant to the beneficiary.
Annex Va - Terms of reference for the certificate of financial statements	
Supplied by the Commission	See above.
Annex Vb - Terms of reference for the certificate on the methodology	
Supplied by the Commission	See above.

Supplementary Agreement: Covers the minimum contractual relation between the Principal Investigator and the beneficiary (the legal entity hosting and engaging him/her) and states each party's rights and obligations.

1.3. Particularities of ERC Grants

ERC grants are characterised by the asymmetrical relationship between the ERCEA, the Principal Investigators and their Host Institutions. While the Principal Investigator is the central researcher of the ERC projects and in charge of innovative, outstanding research ideas, it is the Host Institution that subscribes to the financial and legal obligations of the project as beneficiary of the grant for the ERCEA.

Specific features of the ERC Grant Agreement shall be explained more in details below:

➤ ***Principal Investigator (PI)***

○ *Starting and Advanced Grants:*

The Principal Investigator is the project leader whose name is mentioned under Article 2 of the ERC Grant Agreement. He/she can be of any age and nationality and can be based in any country at moment of application, for as long as they intend to establish and conduct their research activity in any EU Member State or Associated Country.

Specific professional experience is requested for each ERC grant and detailed in the Annual Work Programme.

The scientific autonomy of the Principal Investigator is reflected in the authority that this one has to:

- Apply for funding independently of any colleagues;
- Take scientific decisions within the scope of the accepted proposal, including changes in research strategies and specific objectives;
- Direct the project, manage the research funding and make appropriate resource allocation decisions and changes;
- Select and supervise team members, including research students or others;
- Publish as senior author and invite as co-author only those who have contributed substantially to the reported work;
- Request and expect to be offered access to reasonable space and facilities for conducting the research by the Host Institution.

Although the Host Institution is the formal legal beneficiary of the grant, ERCEA communicates with the Principal Investigator, and addresses the invitation letter⁸ to this one for the preparation of the Grant Agreement on the basis of the fixed maximum European Union financial contribution.

The Principal Investigator remains the privileged interlocutor for the ERCEA also in the grant implementation phase, as he/she has the authority to initiate eventual transfer of the project, changes in the Description of Work and in the allocation of resources.

⁸ The invitation letter is sent by the ERCEA to the PI with copy to the HI. The additional information to the ERCEA (via the GPF) is prepared by the HI with specific awareness of the PI.

- *ERC Synergy Grants*

The profile of the Principal Investigators in the Synergy Grants is to a large extent identical to the one in Starting and Advanced grants.

The main difference lays in the fact that the Synergy Grants supports not only an individual Principal Investigator, but a small group of minimum of two and a maximum four Principal Investigators (PIs) that will carry out research projects built around specialised infrastructures, or allowing for new combinations of skills and disciplines. They may bring together researchers from different institutions, sectors and countries, making the research outcome greater than the sum of the individual projects in order to promote substantial advances in the frontier of knowledge. In most cases ERC Synergy groups will be interdisciplinary, and will be physically located in the same place to ensure close collaboration for significant periods of time.

Within this group, one of the PIs is designated as the Lead Principal Investigator (Lead PI), but they all enjoy equal rights and obligation as any PI in a Starting or Advanced Grant.⁹

- *Proof of Concept Grants (CSA funding scheme)*

Concerning the Proof of Concept Grants, any Principal Investigator of an ERC granted project (either Advanced or Starting Grant), that is either on-going or where the project has ended less than 12 months before the publication date of the call, is eligible to apply for Proof of Concept funding (only one per each ERC funded project). The Principal Investigator should demonstrate that the idea put forward for proof of concept funding is substantially drawn from the outputs of previous ERC-funded research.

➤ ***Research Team***

A research team consists of a Principal Investigator (PI) and other researchers operating under the leadership of the PI.

The concept of the research team is flexible in the IDEAS Programme, fundamentally different from that of a traditional “network” or “research consortium”, as it is built around the competencies of individual people and not around an agreement between institutions.

In order to recruit his/her team members, PIs can use the EU free of charge official data-base for researchers' vacancies, "EURAXESS-JOBS", at <http://ec.europa.eu/euraxess>.

The EURAXESS web portal can also assist PIs and team members by providing them with practical information about administrative and legal issues when moving from one country to another.

(i) Starting and Advanced Grants

⁹ Any reference to 'Lead Principal Investigator' refers to the 'Corresponding Principal Investigator' or 'Corresponding PI' as described in the ERC Guide for Applicants for the Synergy Grant 2012 Call. Similarly, any reference to 'Lead Host Institution' or 'Lead HI' refers to the host institution of the 'Lead/Corresponding Principal Investigator'.

In both types of grants, the members of the team can belong to the same Host Institution or other research structures, established in the same or different country, including non-EU third countries, within the terms and conditions described and agreed in the Description of Work.

The vast majority of the ERC grants are nevertheless single beneficiary. On the contrary, where it has been foreseen in the proposal and accepted by the evaluation panel that members of the research team of the PI are located in different institutions, the project is called multi-beneficiary (these are reflected in the Grant Agreement via the use of special clause 30).

In both single and multi-beneficiary projects, the ERC Grant Agreement stipulates that the Host Institution and all other eventual beneficiaries must ensure that the PI fulfils his/her role of an independent scientific manager and that his/her team members are provided with all necessary support.

(ii) Synergy Grants

The research team in the framework of Synergy grants is formed from a group of Principal Investigators (Lead and other PIs) and their respective individual teams.

These teams could be hosted either on the same premises (one Host Institution) or in different Host Institutions. The composition of each individual research team, led by each of the PIs is flexible, like in an ordinary ERC grant. Commonly, research team involves other researchers - such as senior researchers, post docs, graduate students and PhD researchers - from the PI's research group or other research institutions situated in the same or in a different country.

The employers of these additional team members shall also become beneficiaries (i.e. additional participating Host Institutions of a multi-beneficiary Grant Agreement) in case funding is requested for their participation.

(iii) Proof of Concept Grants (CSA funding scheme)

As a general principle, single beneficiary proposals are preferred for this type of grants. Nonetheless, team members may be hosted by other institutions (i.e. multi-beneficiary grant). Although the team members may be located outside the Host Institution, the Principal Investigator continues to supervise, even remotely, the implementation of the Proof of Concept (PoC) grant.

It may be often the case that the team members in a PoC grant are not researchers applied to fundamental investigation, but other qualified personnel (e.g. lawyers, market researchers, technicians, etc).

➤ **Host Institution (HI)**

(i) Starting and Advanced ERC Grants

For the purposes of an ERC project, the Principal Investigator must be engaged¹⁰ and supported by an established Host Institution (beneficiary or principal beneficiary) which is in a position to receive funds from the European Union.

¹⁰ The engagement of the Principal Investigator and the research team by the Host Institution shall be understood as either a standard employment contract, or other type of legal convention, by which the researcher concerned will

A Host Institution may be any legal entity (public or private), which has the infrastructure and capacity to carry out frontier research projects. It must be established under national law in an EU Member State or an Associated Country. It may also be an International European Interest Organisation (such as CERN, EMBL, etc), the European Commission's Joint Research Centre or an entity created under EU law.

In ERC grants it is expected for the Host Institution to be the only participating entity (single beneficiary). However, additional team members may be hosted by additional legal entities, which may be established anywhere, including outside EU or Associated Countries.

Usually, the Host Institution engages and hosts the Principal Investigator and the research team for at least the duration of the grant, under the condition that a formal commitment is made by the Host Institution to provide the Principal Investigator with the appropriate scientific and administrative environment to conduct the research. The obligations of the Host Institutions towards the Principal Investigators, their teams and the ERCEA are described in the General Conditions of the ERC Grant Agreement (Article 2.2. Annex II, ERC single and multi-beneficiary).

(ii) Synergy Grants

The ERC Synergy grant is awarded to the Lead Host Institution (Lead HI) that engages and hosts the Lead PI for at least the duration of the grant. The Lead HI must provide a commitment letter offering appropriate conditions for the Lead PI and the other PI(s) supported by it to independently direct the proposed research and manage the project's funding for its duration. These conditions, including the 'portability' of the project, are the subject of an agreement between the Lead PI and the Lead HI (Supplementary Agreement) and are described in the ERC Model Grant Agreement. The ERC Grant Agreement itself will be concluded between the ERCEA and the Lead HI, the latter becoming hereby the principal beneficiary of the ERC grant.

In case of more than one host institution, the Lead HI will be the principal beneficiary and the other host institution(s) of the other PI(s) will be beneficiary(ies) upon the definitions of the ERC Model Grant Agreement. In such a case, the principal beneficiary and the other beneficiary(ies) shall make appropriate internal arrangements consistent with the provisions of the grant agreement to ensure the efficient implementation of the project.

(iii) Proof of Concept

As in Starting and Advanced ERC grants the Host Institution will engage the Principal Investigator for the duration of the proof of concept project, although, view the technicality of such scheme, sometimes third parties (e.g. subcontractors) may carry out part of the work. In that case, the general rules for subcontracts apply.

➤ ***Supplementary Agreement***

The Supplementary Agreement (SA) provides the legal basis to create a link between the Principal Investigator and the Host Institution for the purposes of the ERC grant. It describes their respective responsibilities and must be fully consistent with the provisions of the Grant

commit to a regular occupation within and for the employing institution, in compliance with the labour and social rights and obligations foreseen by national legislation and other collective or institutional rules.

Agreement. The Supplementary Agreement¹¹ is mandatory for all ERC frontier research projects (i.e. Starting and Advanced ERC Grants, Synergy Grants).

The Host Institution must provide the ERCEA with a copy of the signed Supplementary Agreement, together with the signed Grant Agreement. A template with minimum requirements for a Supplementary Agreement is provided at the following address:

http://erc.europa.eu/sites/default/files/document/file/erc_supplementary%20agreement.pdf

The Supplementary Agreement should be seen as a guarantee that the project will be developed under the scientific guidance of the Principal Investigator, in accordance with provisions of the Description of Work in the Grant Agreement (Annex I to the ERC GA) and that the beneficiary recognises the central role of the Principal Investigators in the ERC grants.

In the case of *Synergy Grants*, each Host Institution shall conclude a 'Supplementary Agreement' with their respective PIs to ensure the minimum requirements for the project implementation.

A template for the 'Synergy Supplementary Agreement' between the Lead Principal Investigator, the Principal Investigators and the Lead HI will be made available on the ERC website (<http://erc.europa.eu/>).

➤ ***Principle of Portability***

It is expected from the Principal Investigators to remain with the original Host Institution for the duration of the funded ERC research project. However, a specificity of the ERC grants is that they are transferable.

The aim of portability is to encourage research institutions to offer constantly improved conditions to the best researchers.

Portability of the grant and of the project will be allowed, in general, subject to explicit acceptance by the ERCEA, via an amendment to the Grant Agreement.

Particularities of portability in case of Synergy Grant:

In Synergy grants, each Principal Investigator (Lead and other PIs) have the right to request the transfer of his/her part of the research project to another Host Institution.

➤ ***Direct and indirect costs - upper funding limit***

An ERC grant covers up to 100% of the total eligible direct costs of the research as well as a contribution towards indirect costs (overheads). This contribution towards indirect costs shall be reimbursed by a flat rate of 20% of the total eligible direct costs¹².

¹¹ Such agreements do not affect the rights of the ERCEA arising from the Grant Agreement and the corresponding obligations of the beneficiaries with regard to the ERCEA.

¹² For this calculation, the amount of the total direct eligible costs excludes:

1. the direct eligible cost for subcontracting;
2. the cost of reimbursement of resources made available by third parties, which are not used on the premises of the beneficiary.

In the case of Proof of Concept (and more generally concerning CSA's projects), 'indirect costs' are reimbursed at a maximum of 7% of the total direct eligible costs.¹³

In order to be considered as eligible, costs incurred for the implementation of the project shall meet the conditions as referred to in Article II.14 of the Annex II (General Conditions).

'Direct costs' are all those eligible costs which can be attributed directly to the project and are identified by the beneficiary as such, in accordance with its accounting principles and its usual internal rules.

¹³ Article II.15.2 of the General Conditions of the ERC CSA Grant agreement; ftp://ftp.cordis.europa.eu/pub/fp7/docs/fp7-erc-csa-annex-ii_en.pdf.

For this calculation, the amount of the total direct eligible costs excludes:

1. the direct eligible cost for subcontracting;
2. the cost of reimbursement of resources made available by third parties, which are not used on the premises of the beneficiary.

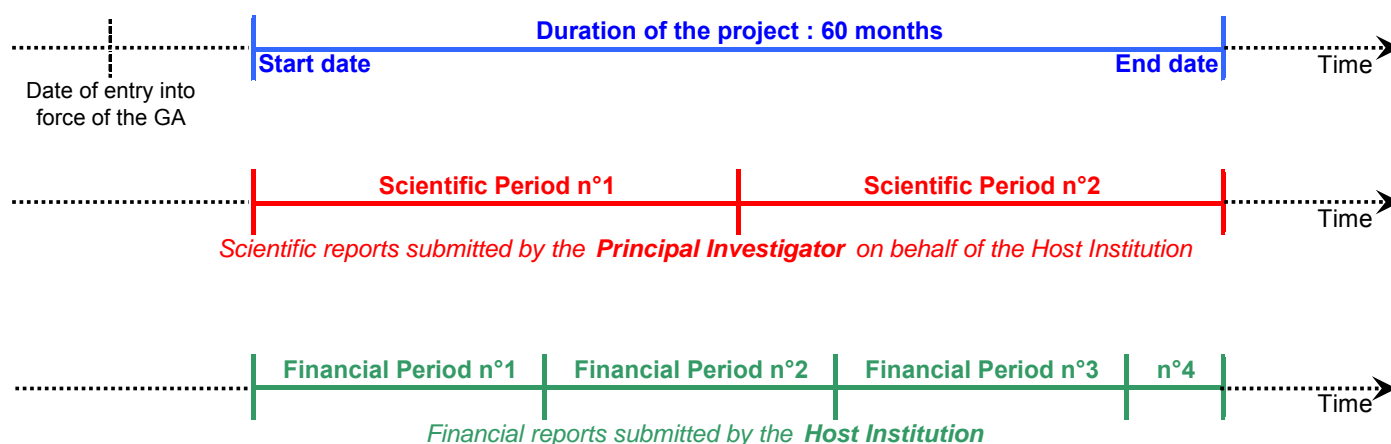
➤ **Reporting and payments**

a. Reporting

ERC Grants aim to provide grant holders with simple procedures and reporting structure, in order to maintain the focus on excellence, encourage creativity and combine flexibility with accountability whilst being in complete accordance with the EU Financial Regulation and the Implementing Rules.

Consequently, another particular feature of the ERC grants is the split in between two parallel reporting streams (scientific and financial reporting) occurring at different moments in the lifetime of the project.

Figure 1: general time line and reporting requirements for Starting and Advanced grants:



The scientific and financial reporting deadlines are defined in Article 4 of the ERC Grant Agreement. Scientific reports are submitted by the Principal Investigator (Principal Investigator) on behalf on the Host Institution while financial reports by the Host Institution in consultation with the Principal Investigator.

- **Scientific Reporting**

In ERC Starting and Advanced Grants, Principal Investigators are required to submit two scientific reports (mid-term and final), during the entire duration of the grant. In the case of Synergy Grants, Principal Investigators are required to submit three scientific reports (2 intermediates and one final). These reports inform the ERC on progress and scientific achievements, as well as on publications and specific outputs from the project.

- **Financial Reporting**

The Host Institution is required to submit periodic financial reports (generally at intervals of 18 months) justifying the costs incurred during the period.

Declarations of costs entitling the beneficiary to claim a cumulative total of €375 000 of EU contribution or more must be accompanied by a certificate on financial statements (see Annex V-A of the ERC GA).

Where the project involves more than one legal entity, the Host Institution being the principal beneficiary must provide a consolidated cost claim for all beneficiaries.

Particularities of Proof of Concept:

Given the shorter length, the project's reports will normally be required only once, at the end of the project. This report will combine in a single document, both technical and financial aspects.

b. Payments

Different types of payments are foreseen during the lifetime of an ERC project.

- Pre-Financing

An advance payment (known as a 'pre-financing') is made only once, within a maximum of 45 days following the date of entry into force of the ERC Grant Agreement¹⁴ (unless a special clause stipulates otherwise).

The pre-financing remains the property of the European Union until the last payment. The purpose of this pre-financing is to make it possible for the beneficiaries to have a positive cash-flow during (most of) the project.

- Interim Payments

Interim payments are made after approval of the periodic financial reports and are calculated on the basis of accepted eligible costs. The amounts paid correspond to the accepted eligible costs, but the total amount of pre-financing and interim payments is limited to 90% of the maximum EU contribution.

- Final Payment

The final payment is made after the approval of the final reports (scientific and financial).

1.4. Intellectual Property Rights

Intellectual property rights (IPRs) matter in all phases of a project and are a core part of its success. Part C of the General Conditions covers the issue of the IPRs, use and dissemination.

While the IPR provisions contained in the ERC GA are similar to those of other FP7 projects, there are nevertheless a number of differences, in particular regarding access rights (cf. Article 51.1 of Rules for Participation).

¹⁴ The date of the entry into force is the actual date of the last signature by the Host Institution and the ERCEA (whichever is the last).

Figure 2: access rights for ERC projects.

		Access rights to background and foreground
For implementing the project →		
For use purposes	For use in further research →	Royalty-free
	For other use purposes (exploitation, ...) →	Royalty-free, unless otherwise agreed in the grant agreement

ERC attaches great importance to dissemination issues as it enables peers in the relevant area to learn from each other's experience and good practice. The ERC has a role in informing the general public and/or policymakers of the results of the research work. A strategy to disseminate and exploit project results should be developed under each ERC grant. This should pay due regard to applicable local and national regulations and the rules regarding intellectual property rights described in detail in the ERC Grant Agreement and explained in the FP7 Guide related to the IPRs¹⁵.

The special clause 39, applicable to ERC Grant Agreements, aims to increase accessibility to foreground originating from the ERC funded Grants via an open access policy.¹⁶

2. AMENDMENTS AND TERMINATION

An amendment to an ERC Grant Agreement is a legal act modifying the commitments accepted by the parties, which may result in new rights or impose new obligations on these ones or third parties.

As a general rule, an amendment is necessary whenever the Grant Agreement has to be modified. This is the case for any change of the data included in the core part of the Grant Agreement and for changes to its Annex I – Description of work.

Standard provisions included in the Annexes to the ERC Grant Agreement are not subject to any amendments. There is no single amendment document; amendments are made through exchange of letters between parties to the Grant Agreement. The content of letters must clearly demonstrate the agreement of all parties and provide justifications for the changes.

Further information can be found in the Amendment Guide for FP7 Grant Agreements.¹⁷

¹⁵ ftp://ftp.cordis.europa.eu/pub/fp7/docs/ipr_en.pdf

¹⁶ See also ERC Scientific Council Guidelines for Open Access of 17 December 2007, http://erc.europa.eu/sites/default/files/document/file/erc_scc_guidelines_open_access.pdf

¹⁷ ftp://ftp.cordis.europa.eu/pub/fp7/docs/amendments-ga_en.pdf

3. DISSEMINATION ACTIVITIES

- Acknowledging ERC support by Host Institutions and Principal Investigators

Whenever data and achievements resulting from ERC-funded research are communicated (such as in journals, patents, presentations, etc), the Host Institution and Principal Investigator are obliged to highlight the ERC's financial support.

For patent applications the Host Institution and/or the Principal Investigator must include a statement that the invention was generated with financial support from the European Union:

"The work leading to this invention has received funding from the European Research Council under the European Union's Seventh Framework Programme (FP7/2007-2013) / ERC grant agreement n° [xxxxxx]"¹⁸

For any other publications or any other dissemination relating to the results of the ERC funded project, a written acknowledgment and/or the application of the ERC logo and the European emblem must be included:

*'The research leading to these results has received funding from the European Research Council under the European Union's Seventh Framework Programme (FP/2007-2013) / ERC Grant Agreement n. [xxxxxx]'*¹⁹

ERC beneficiaries and Principal Investigators are asked to add on their webpage the ERC logo and the link to the ERC website in order to:

- Ensure the acknowledgement of ERC funds on the beneficiary website and improve the ERC's visibility;
- Ensure the acknowledgement of ERC funds on the ERC-funded project website (if any) and improve the ERC's visibility.

The European emblem can be downloaded from the website of the EU (http://europa.eu/abc/symbols/emblem/index_en.htm) and the ERC logo is available for downloading at the ERC website (<http://erc.europa.eu/logos-and-banners>).

- Publicity by the ERC

The ERCEA may publish factual information on projects which it supports financially through for instance the publication of success stories (<http://erc.europa.eu/success-stories>), newsletters (<http://erc.europa.eu/newsletters-0>), audio-visual materials (<http://erc.europa.eu/multimedia-library>) and other printed or online publications (<http://erc.europa.eu/publications>). This could include the name of the Principal Investigators and Host Institutions, the project's objectives, the amount of funding awarded the location of the project and relevant data from the project's reports. ERC beneficiaries and Principal Investigators are encouraged to communicate to the ERCEA any of their results that have a high communication potential, as well as prizes and

¹⁸ Article II.28.2 of the General Conditions to the ERC Grant Agreement.

¹⁹ Article II.30.3 of the General Conditions to the ERC Grant Agreement.

awards that they were awarded. The following functional mailbox can be used to communicate: ERC_FUNDED_PROJECTS_ACHIEVE@ec.europa.eu

The ERCEA is interested in a close cooperation with ERC beneficiaries and Principal Investigators as regards communication of the funded projects. This cooperation can take the form of events or workshops organised by the ERCEA or other research organisations, or bodies in and outside the EU. The ERCEA invites and encourages Principal Investigators to provide the ERCEA with their pictures²⁰ and pictures representing their project, which will be used for dissemination purposes, including potentially on CORDIS ERC project fiches.

The ERCEA requests ERC beneficiaries and Principal Investigators to participate as far as possible in media events and respond to journalists' questions, and when doing so systematically underline and acknowledge the ERC support to their project.

4. FURTHER INFORMATION AND SUPPORT

General information and key documents are available on the ERC website at <http://erc.europa.eu> and on the Participant Portal at <http://ec.europa.eu/research/participants/portal/>. The ERC website also includes 'Frequently Asked Questions'.

As with other parts of the Seventh Framework Programme, National Contact Points (ERC NCPs) have been set up across Europe by the national governments to provide information and personalised support to ERC applicants in their native language. The mission of the ERC NCPs is to raise awareness, inform and advise on ERC funding opportunities and grant management. For details on the ERC NCP in your country please consult the ERC website at <http://erc.europa.eu/national-contact-points>.

Information events (seminars, conferences, exhibitions) on the ERC or with participation of ERC speakers are published on the ERC website.

²⁰ These activities are implemented by ERCEA in accordance with the applicable provision on protection of personal data (Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data, OJ L 8 of 12.1.2001, p. 1).

5. GLOSSARY

Some of these terms are defined already in Annex II, others terms are defined for the purposes of the use of this guide.

1. '**Access rights**' means licences and user rights to *foreground* or *background*;
2. '**Affiliated entity**' means any legal entity that is under the direct or indirect control of a *beneficiary*, or under the same direct or indirect control as the *beneficiary*, control taking any of the following forms:
 - the direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned, or of a majority of the voting rights of the shareholders or associates of that entity;
 - the direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.
3. '**Associated country**' means a third country which is party to an international agreement with the Union, under the terms or on the basis of which, it makes a financial contribution to all or part of the Seventh Framework Programme;²¹
4. '**Background**' means information which is held by *beneficiaries* prior to their accession to this agreement, as well as copyrights or other intellectual property rights pertaining to such information, the application for which has been filed before their accession to this agreement, and which is needed for carrying out the *project* or for using *foreground*;
5. '**Dissemination**' means the disclosure of *foreground* by any appropriate means other than that resulting from the formalities for protecting it and including the publication of *foreground* in any medium;
6. '**ERC**' means the European Research Council as established by the *Specific Programme Ideas* consisting of the Scientific Council and a dedicated implementation structure, the European Research Council Executive Agency (ERCEA);
7. '**ERCEA financial contribution**' refers to the maximum amount of funding for a project which is fixed in the ERC core Grant Agreement, Article 5;
8. '**Fair and reasonable conditions**' means appropriate conditions including possible financial terms taking into account the specific circumstances of the request for access, for example the actual or potential value of the *foreground* or *background* to which access is requested and/or the scope, duration or other characteristics of the *use* envisaged;
9. '**Flat rate**' is used in the context of ERC GA the percentage of the total direct eligible costs that is attributed to the project to cover its indirect costs (20% for frontier research grants (Starting, Advanced and Synergy Grants; 7% for CSA grants, including Proof of Concept)
10. '**Foreground**' means the results, including information, whether or not they can be protected, which are generated under the *project*. Such results include rights related to copyright; design rights; patent rights; plant variety rights; or similar forms of protection;

²¹ List of FP7 Association Agreements with third Countries can be found on: ftp://ftp.cordis.europa.eu/pub/fp7/docs/third_country_agreements_en.pdf

11. **'Form C'** means Annex IV to ERCGA, or the financial statement that shows the level of expenditure of the project in each financial reporting period;

12. **'The Grant Agreement Preparation Forms (GPFs)'** means standard forms that collect information needed to prepare the Grant Agreement and are generated via the NEF online tool. Whilst the GPFs are not part of the ERC Grant Agreement, they are the basis for preparing the grant and hence it is essential that the information in the forms is correct and mirrors exactly the information in the Description of Work;

13. **'Host Institution'** refers to the beneficiary or *principal beneficiary* in ERC Grant Agreements, hosting the project and usually engaging²² the *Principal Investigator and the research team*. The **Host Institution** can be any legal entity (public or private), which has the infrastructure and the capacity to carry out a frontier research project, such as a university, a research organisation or a private company performing research. It must be established under national law in an EU Member State or an Associated Country. It may also be an International European Interest Organisation (such as CERN, EMBL, etc), the European Commission's Joint Research Centre or an entity created under EU law.

When the Guide for Financial Issues relating to FP7 Indirect Actions mentions "coordinator", it should be read as "principal beneficiary". For multi-beneficiary projects, the principal beneficiary (Host Institution) leads and represents the other beneficiaries with regard the ERC Grant Agreement.

14. **'Irregularity'** means any infringement of a provision of European Community and European Union law or any breach of obligation resulting from an act or omission by a *beneficiary* which has, or would have, the effect of prejudicing the general budget of the European Union or budgets managed by it through unjustified expenditure;

15. **'Portability'** means **'Change of Host Institution'** at the request of the Principal Investigator, who has the right to require the transfer of the research project to a new beneficiary (Host Institution) (Articles II.34.3 and 4 of the General Conditions for Single-beneficiary and Articles II.36.3 and 4 for Multi-beneficiary), for as long as the research objectives of the project are preserved. *The Host Institution has the right to object to the transfer, while the final decision about such transfer is with ERCEA, after taking into account the interests of all actors concerned.* The change of Host Institution has to be formalised through an amendment to the Grant Agreement;

16. **'Principal Investigator'** means the individual that may assemble a *team* to carry out the ERC *project* under his/her scientific guidance. The rights and obligations of Principal Investigators are detailed in the supplementary agreement based on Section I Article II.3 of the General Conditions;

17. A legal entity is qualified as **'non-profit'** when considered as such by national or international law;

18. **'Public body'** means any legal entity established as such by national law, and international organisations;

²² The engagement of the Principal Investigator and the research team by the Host Institution shall be understood as either a standard employment contract, or other type of legal convention, by which the researcher concerned will commit to a regular occupation within and for the employing institution, in compliance with the labour and social rights and obligations foreseen by national legislation and other collective or institutional rules.

19. '**Research organisation**' means a legal entity established as a *non-profit* organisation which carries out research or technological development as one of its main objectives;
20. '**SMEs**' mean micro, small and medium-sized enterprises within the meaning of Recommendation 2003/361/EC in the version of 6 May 2003²³ ;
21. '**Specific Programme Ideas**' means Council Decision 2006/972/EC of 19 December 2006 concerning the specific programme: Ideas implementing²⁴ the Seventh Framework Programme of the European Community for research, technological development and demonstration activities;
22. '**Start date**': the Grant Agreement will determine the start date of the project (Article 3 of the ERC GA). Unless a specific (e.g. fixed) start date is duly justified and agreed during the preparation of the Grant Agreement, the ERC project will start on the first day of the month following the entry into force of the Grant Agreement (entry into force = signature by the ERCEA). A fixed start date later than 6 months following the receipt of the invitation letter will be considered only if it is duly justified by specific scientific reasons or by special personal circumstances (e.g. maternity leave). Costs can be incurred only from the start date of the project;
23. '**Supplementary agreement**' means the agreement requested by the *Grant Agreement* that covers the minimum contractual relationship between the *Principal Investigator* and the *beneficiary* (the legal entity hosting and engaging him/her). It describes their respective responsibilities and rights and must be fully consistent with the provisions of the Grant Agreement. The Supplementary Agreement is mandatory for all ERC projects. It shall be complemented by an employment or other collaborative type of engagement contract between Host Institution and the Principal Investigator;
24. '**Team**' means the individual team that consists of a single *Principal Investigator* and, as appropriate, other individuals, members of the team;
25. '**Team members**' means contributing investigators to the *project* under the scientific guidance of the *Principal Investigator*;
26. '**Third country**' means a State that is not a Member State of the European Union,
27. '**Third party**' means a legal entity which is not a beneficiary of the ERC Grant Agreement, and is not a signatory to it;
28. '**Use**' means the direct or indirect utilisation of *foreground* in further research activities other than those covered by the *project*, or for developing, creating and marketing a product or process, or for creating and providing a service;

²³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32003H0361:EN:HTML>

²⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:400:0243:0271:EN:PDF>

**PART II - ERC ADDENDUM TO GUIDE
TO FINANCIAL ISSUES
RELATING TO FP7 INDIRECT ACTIONS**

6. FINANCIAL SPECIFICITIES FOR ERC STARTING GRANTS AND ADVANCED GRANTS

6.1. Article 5.2 of ECGA – Financial content of Annex I to ECGA

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions, Financial content of Annex I to ECGA (cf. Article 5.2 of ECGA), pp 7-9*²⁵
- *Article II.5.2 of the ERC Single-beneficiary GA*²⁶
- *Article II. 5.2 of the ERC Multi-beneficiaries GA*²⁷

The entire section of the *Guide to Financial Issues relating to FP7 Indirect Actions* related to 'Article 5.2 of ECGA – Financial content of Annex I to ECGA' should be read as follows for ERC GA:

Transfer of budget between activities and beneficiaries is allowed without the need for an amendment of the ERC GA. A condition for this is that the scientific work is carried out as foreseen in Annex I. The beneficiary will need to submit a revised budget table in the context of the financial report.

An amendment to the ERC GA will nevertheless be necessary:

- When the budget transfer arises from a significant scientific change in Annex I. Significant change refers to a modification that affects the technical (scientific) work as foreseen in Annex I to the ECGA (i.e. change, removal or addition of scientific objectives or of methodologies).
- When a task initially meant to be carried out by the Host Institution if subcontracted or entrusted to another beneficiary or third party.

It is recommended to consult the responsible project officer in the Grant Implementation Unit (C.2) of ERCEA (i.e. by e-mail to ERC-C2@ec.europa.eu). This e-mail (or other written) communication will avoid confusion or disagreement on the interpretation of the budget transfer.

The same rule applies for the multi-beneficiary projects, in case of significant modification of the budget repartition between the beneficiaries.

²⁵ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

²⁶ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

²⁷ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

6.2. Article II.2 of ECGA - Organization of the consortium and role of coordinator²⁸

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions - Organisation of the consortium and role of coordinator (cf. Article II.2 of ECGA), pp. 12-14*²⁹
- *Article II.2 of the ERC Multi-beneficiaries GA*³⁰

In the ERC GA, a research team consists of a Principal Investigator and other individual team members as appropriate.

With the focus on the Principal Investigators, the concept of the individual team or ERC Synergy Group is fundamentally different from that of a network or consortium of undertakings, universities, research centres or other legal entities. **Proposals of the latter type should not be submitted to the ERC.**

If a research team is hosted by a single institution, the project is called a '*single beneficiary project*'.

Even if the ERC GA has been established on the assumption that the majority of ERC grants are concluded with single beneficiaries, the research teams may also involve team members from other legal entities, or part of the work might be carried by another legal entity – where this has been foreseen in the proposal and accepted by the evaluation Panel. Such projects are called '*multi-beneficiary projects*'.³¹

- Single-beneficiary project

In case of single-beneficiary Grant Agreement, the obligations of the **Host Institution/beneficiary** are described in the Article II.2 to the General Conditions of the single-beneficiary Grant Agreement:

ftp://ftp.cordis.europa.eu/pub/fp7/docs/fp7-lga-annex2mono_en.pdf

²⁸ **Reminder:** With the Focus on the Principal Investigator, the concept of individual team is fundamentally different from the traditional 'network' or 'researcher consortium'. However the wording in the title has been maintained as it is in the Guide for Financial Issues for facilitating its identification.

²⁹ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

³⁰ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

³¹ Other forms of ad hoc collaboration, non involving financial transactions between the Host Institution and third parties employing the respective collaborators are sometimes acceptable, if formally agreed by ERCEA and described in Annex I (DoW)

- Multi-beneficiary project

In case of multi-beneficiaries Grant Agreement, the obligations of the **Host Institution/principal beneficiary** are described in the Article II.2.3 to the General Conditions of the multi-beneficiary Grant Agreement:

http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf.

The Host Institution is the entity which engages, typically by an employment contract, the Principal Investigator.

Specific performance obligations of the **other beneficiaries** (other than the principal beneficiary) are described in the Article II.2.4 to the General Conditions of the multi-beneficiary Grant Agreement:

http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

The obligations of **each beneficiary** (both the Host Institution and the other beneficiaries) are described in the Article II.3 to the General Conditions of the multi-beneficiary Grant Agreement:

http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf.

6.3. Article II.4 of ECGA – Reports and deliverables

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions - Reports and deliverables (cu Article*

*II.4 of ECGA, p 14*³²

- *Article 4 of the ERC GA*³³

- *Articles II.4 and II.5 of the ERC Single-beneficiary GA*³⁴

- *Article II.2 of the ERC Multi-beneficiaries GA*³⁵

-*Articles II.4 and II.5 of the ERC Multi-beneficiaries GA*³⁶

The paragraph related to '**Articles II.4.1, II.4.2 II.4.3 and II.4.5, II.4.6, II.4.7 and II.4.8 of ECGA**' in the *Guide for Financial Issues relating to FP7 Indirect Actions* refers to the Guidance 'notes on project reporting'.

The ERC Grant Agreements foresee **two different reporting streams** to cover the financial and scientific aspects of the grant. **These two streams do not always coincide in time**. This approach distinguishes ERC projects from the standard FP7 projects:

³² ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

³³ http://erc.europa.eu/sites/default/files/document/file/erc_core%20grant%20agreement.pdf

³⁴ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

³⁵ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

³⁶ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

- Scientific reporting periods (Article 4.1 of the ERC Grant Agreement & Articles II.4 and II.5 of the General Conditions of the ERC Single-beneficiary/Multi-beneficiaries Grant Agreement)

The Scientific reports are to be submitted by the Principal Investigator on behalf of the Host Institution twice during the lifetime of a project (at mid-term and at the end). The Principal Investigator shall submit the Scientific Report to ERCEA within 60 days after the end of each scientific reporting period.

The Scientific Department in ERCEA will review and approve these scientific report(s). In the evaluation of scientific reports, the ERCEA Scientific Department may require sometimes external experts review. On the basis of such review, the time to evaluate the reports and disburse payments can be suspended till the review is satisfactory, according to the possibilities listed in Article II.5.3.c).

The outcome of the scientific mid-term review may lead to different situations:

- (i) *If the scientific report has been approved without conditions:*

At the end of the next financial reporting period the payment will be performed without the need of any additional scientific requirements (if no new scientific issues arise meanwhile);

- (ii) *If the scientific report has been approved conditionally:*

At the end of the next financial reporting period, the payment will be subject to verification that the suggested scientific recommendations have been properly fulfilled in the meantime;

- (iii) *If the scientific report has been rejected and a revised version of the report was requested:*

The payment at the forthcoming financial reporting period will be suspended, until a satisfactory revised scientific report is submitted and approved by the scientific department;

- (iv) *If the scientific report has been rejected:*

The ERCEA may start the procedure for termination of the Grant Agreement.³⁷ Final reports submitted within the framework of the termination will be due 45 days after the decision on termination became definitive.

- Financial reporting periods (Article 4.2 of the ERC Grant Agreement & Articles II.4 and II.5 of the General Conditions of the ERC Single-beneficiary/Multi-beneficiaries Grant Agreement).

The financial reports and the final financial report are prepared by the Host Institutions in consultation with the Principal Investigator. These reports have to provide a summary description of the state of play of the project with a particular focus on the use of budgetary resources in relation to the scientific work carried out. They also contain a declaration from the Host Institution, a financial statement, a breakdown of direct costs incurred, a budget follow up table and depending on the amount claimed for reimbursement, a certificate on financial statement.

³⁷ Article II.35 (single-beneficiary) and II.37 (multi-beneficiary)

The beneficiary shall submit a financial report within 60 days after the end of each reporting period.

The ERCEA will evaluate and approve the financial report and reimburse to the Host Institution the costs incurred by the ERC funded project within 105 days, starting from the day of receipt of the complete financial report, unless in the meantime due to additional revisions the payment on the project has been suspended.

The time limit of 105 days may be suspended by the ERCEA in accordance with Article II.5.3.c of the General Conditions to the ERC Grant Agreement, if one or more of the reports due (financial/scientific) have not been supplied, or are not complete, or if some clarification or additional information is needed or there are doubts concerning the eligibility of costs claimed and/or additional checks are being conducted. In case a related scientific report is not approved the time limit may be suspended as well.

In case of multi beneficiary GA the principal beneficiary must submit a summary financial report consolidating the EU financial contribution claimed by all the beneficiaries in a single form, based on the information provided in the financial statement by each beneficiary.

6.4. Article II.4.4 of ECGA – Certificate on the financial statements and certificate on the methodology

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions - Certificate on the financial statements and certificate on the methodology (cu Article II.4.4 of ECGA), pp. 14-25³⁸;*
- *Article II. 4.5 Of the ERC Single-beneficiary GA³⁹;*
- *Article II. 4.6 Of the ERC Multi-beneficiaries GA⁴⁰.*

In addition to the information provided on pages 15 to 17 of the *Guide to Financial Issues relating to FP7 Indirect Actions*, the following also applies:

Certificates on the financial statements and methodology must be submitted following the templates provided in Annexes V a) and b) to the ERC GA.

- Submission of a CFS in case of Multi-beneficiary project :

In case the Grant Agreement includes the Special Clause ERC30 (Conversion of the ERC Single-beneficiary to an ERC Multi-beneficiary Grant Agreement), the threshold of EUR 375,000 applies to each beneficiary independently.

Example 4: reporting of costs in the 1st reporting period:

Beneficiary A claims EUR 400,000 and beneficiary B claims EUR 150,000. In this case, only beneficiary A has to submit a CFS (because the amount requested by A is above the threshold of 375 000).

Submission of a CFS in case of third parties linked to a beneficiary (Special Clause ERC10):
In the case of a third party linked to a beneficiary, covered by the ERC special clause 10⁴¹,

³⁸ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

³⁹ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁴⁰ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

the threshold of EUR 375,000 for the submission of a certificate on the financial statements applies to each third party independently of the EU contribution of the beneficiary. The submission procedure and rules are the same as for beneficiaries.

According to the special clause 10 of the Grant Agreement, the third parties shall provide their individual Certificates on the Financial Statements independently from those of the beneficiary. However, if the beneficiary and the third party have the same auditor, the Agency could accept one certificate comprising the costs of both but identifying clearly which costs relate to whom.

- Submission of a CFS in case of change of Host Institution (whether for a Multi-beneficiary or a Single-beneficiary project):

The threshold of EUR 375,000 applies independently to the initial and the new Host Institutions. Therefore the new Host Institution will only take into account its own cost claims when applying the above mentioned threshold.

- Submission of CFS when a financial audit has been carried out by the ERCEA:

If the Commission's external audit services, or external auditors hired by the Commission, have already carried out an audit of the costs incurred in a given period before the beneficiary submits the CFS for those costs, requiring a CFS for the same costs from the beneficiary is neither economic nor necessary.

This means that in case of external audit carried out by Commission's external audit services or external auditors hired by the Commission, the "counter" for the cumulative amount is 'reset to zero' for that period (or reset to the amount of EU contribution corresponding to costs not certified yet).

6.5. ERC Multi-beneficiary projects

a. Characteristics of a project with other beneficiaries under Special Clause 30:

- Such a Grant Agreement is a 'multi-beneficiary';
- The legal name of any additional beneficiary is mentioned in the Special Clause 30 under Article 7 of the Grant Agreement;
- Annex II (General Conditions) for multi-beneficiary Grant Agreement is applicable;
- The beneficiary signs the Annex III (accession form);
- Each beneficiary must submit an Annex IV (Financial Statement) for each financial reporting period. This must be centralised via the Host Institution.

6.6. Article II.7 of ECGA – Subcontracting

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions - Subcontracting (cu Article II.7 of ECGA), pp. 27-28⁴²*

⁴¹ It has to be recalled that the third party does not appear in the Grant Agreement as beneficiary.

⁴² ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

- *Article II. 4.7 Of the ERC Single-beneficiary GA*⁴³

- *Article II. 4.7 Of the ERC Multi-beneficiaries*⁴⁴

The subcontractor is defined by certain characteristics:

- The agreement between the Host Institution and the potential subcontractor is based on 'business conditions'. This means that the subcontractor charges a price, which usually includes a profit. This is a specificity compared to other third parties' contributions where the third party charges only for the costs of the activity.
- The subcontractor carries out the work without the direct supervision of the beneficiary and is not hierarchically subordinate to the beneficiary (unlike an employee). The working place of the subcontractor, its accounting rules and internal organisation may also differ from the ones of the Host Institution.
- The subcontractor carries out parts of the work itself, whereas other third parties only make their resources available to a beneficiary on the basis of a previous agreement and in order to support a beneficiary by providing resources.
- Usually subcontracts do not concern the research work itself ('core' parts of the project), but tasks or activities needed in order to carry out the research, auxiliary to the main object of the project, such as audits, IT services, fitting or gathering predefined data in the field, studies, organisation of a conference (including catering, rental, invitations, etc.), outsourcing of administrative tasks (e.g. accounting) and eventually construction works needed for the project.
- The subcontractor's motivation is pecuniary, not the research work itself. It is a third party whose interest in the project is only the profit that the commercial transaction will bring. A subcontractor is paid in full for its contribution made to a project by the beneficiary with whom it has a subcontract. As a consequence subcontractors do not have any IPR rights on the foreground of the project.
- The responsibility vis-à-vis the ERCEA for the work subcontracted lies fully with the beneficiary. The work that a subcontractor carries out under the project belongs to the beneficiary in the ERC Grant Agreement. A subcontractor has no rights or obligations vis-à-vis the ERCEA or the other beneficiaries. However, the beneficiary must ensure that the subcontractor can be audited by the ERCEA or the Court of Auditors.

The specific tasks to be performed by a subcontractor including a financial estimation of the costs, should be identified in the Annex I. It is not necessary to identify the subcontractor.

Article II.7.2 of the Annex II to the ERC GA requires beneficiaries to ensure that transparent bidding procedures are used before selecting a subcontractor.

The use of freelance experts either as in-house consultants or as external consultants may be considered to be subcontracts or a form of personnel costs depending on the terms and conditions of the agreement between the expert and the beneficiary.

As the subcontracted work should not refer to "core" research parts of the project, the beneficiary might envisage to propose to the intended subcontractor to become instead a beneficiary to the project (via ERC Special Clause 30).

⁴³ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁴⁴ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

6.7. Article II.14.1 – Eligibility criteria – under the title 'Acceptability criteria for average personnel cost'

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions – Eligibility criteria – Acceptability criteria for average personnel cost ((cu Article II.14.1 of ECGA), pp. 36-40⁴⁵*
- *Article II.14.1 of the ERC Single-beneficiary GA⁴⁶*
- *Article II.14.1 of the ERC Multi-beneficiaries GA⁴⁷*

The following table presents the different possibilities for the declaration of 'average personnel costs' described in chapter 'Acceptability criteria for average personnel cost' of the *Guide to Financial Issues relating to FP7 Indirect Actions* (pp. 36-40). In 2011 the Commission provided for the acceptance of the vast majority of average personnel cost methods used by beneficiaries as their usual cost accounting practice (the applicable 4 criteria are listed in footnote).⁴⁸

	Certificate on the Methodology (CoM) (Average Personnel Costs AND Indirect Costs)	Certificate on Average Personnel Costs (CoMAv) (Average Personnel ONLY)	No CoM and No CoMAv	
Personnel costs	Declaration of average personnel costs is allowed		If the 4 criteria(*) are fulfilled ⇒ declaration of average personnel costs is allowed	If the 4 criteria(*) are NOT fulfilled ⇒ declaration of actual personnel costs
Other direct costs	Declaration of actual costs			
Indirect costs	Flat rate of 20%			
Submission of CFS	Only ONE CFS is required at the Final Payment	CFS is required as soon as the threshold of 375,000€ is reached		

⁴⁵ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

⁴⁶ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁴⁷ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

⁴⁸ The 4 criteria for acceptance of the beneficiary average personnel cost methodology are:

- a. *The methodology shall be the one declared by the beneficiary as its usual cost accounting practice; as such it shall be consistently applied to all indirect actions of the beneficiary under the Framework Programmes;*
- b. *The methodology shall be based on the actual personnel costs of the beneficiary as registered in its statutory accounts, without estimated or budgeted elements;*
- c. *The methodology shall exclude from the average personnel rates any ineligible cost item and any costs claimed under other costs categories in order to avoid double funding of the same costs;*
- d. *The number of productive hours used to calculate the average hourly rates shall correspond to the usual management practice of the beneficiary provided that it reflects the actual working standards of the beneficiary, in compliance with applicable national legislation, collective labour agreements and contracts and that it is based on auditable data.*

6.8. Article II.14.2 of the ECGA – Costs of third parties – Costs of resources made available and costs of third parties carrying out part of the work

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions – Costs of third parties – Costs of resources made available and costs of third parties carrying out part of the work (Article II.14.2 of the ECGA)*, pp. 45-53⁴⁹;
- *Article II.14.2 of the ERC Single-beneficiary GA*⁵⁰;
- *Article II.14.2 of the ERC Multi-beneficiaries GA*⁵¹.

Concerning the participation of third parties in the ERC projects, distinction has to be made between:

- Third party carrying out part of the work (special clause 10);
- Third party making resources available.

Characteristics of a project with a Third Party

In general, the implementation of the project is the responsibility of the beneficiaries (the Grant Agreement signatories) and they should have the capacity to carry out the work themselves. However, in some circumstances, third-party involvement in the project may be necessary and costs related to their participation may be eligible.

A third party may contribute to the project in two ways:

- *By making available its resources (e.g. personnel, equipment) to a Host Institution (in order for this one to be able to carry out the work). This can take the form of:*
 - Third parties making resources available free of charge;
 - The Host Institution reimburses the third party;
 - Special cases⁵².
- *By carrying out part of the work itself*
 - The case of subcontractors;
 - The case of entities covered by special clause 10 (ERC).

⁴⁹ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

⁵⁰ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁵¹ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

⁵² For details please see page 45 of the FP7 Guide for Financial Issues – "special cases"

6.9. Article II.15 of ECGA – Identification of direct and indirect costs

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions – Identification of direct and indirect cost (Article II.15 of the ECGA), pp. 54-77*⁵³
- *Article II.15 of the ERC Single-beneficiary GA*⁵⁴
- *Article II.15 of the ERC Multi-beneficiaries GA*⁵⁵

➤ **«1. Direct costs - (a) The cost of personnel assigned to the project» (pp. 54-55)**

In addition to the explanations mentioned in this section in the *Guide to Financial Issues relating to FP7 Indirect Actions*, the following remarks also apply in case of ERC projects:

Ineligibility of teaching buy outs

If the Host Institution of the Principal Investigator (PI) hires a substitute to perform some of the PI's duties such as teaching, it has to be done according to their internal rules and cannot be charged to the ERC project. This means that 'teaching buy-outs' are not eligible costs to the project.

➤ **«1. Direct costs - (a.3) Working hours and productive hours» (pp 57-58)**

Remarks concerning the time devoted by the Principal Investigator on the ERC project:

In principle, when the salary of the Principal Investigator is not charged to the ERC grant, ERCEA will not request the Host Institution to keep time records of the PI's working time.

However, already the ERC Work Programme 2010⁵⁶ provided the following requirements for the Principal Investigator (no matter if the Principal Investigator's salary is charged to the ERC grant or not):

- Principal Investigators in Advanced Grants must be strongly committed to the project and devote a significant amount of time to it (they will need to devote at least 30% of their working time to the ERC funded project while spending at least 50% of their total working time in a EU Member State or Associated Country);
- Principal Investigators in Starting Grants must also be strongly committed to the project and devote a significant amount of time to it (they will need to devote at least 50% of their working time in the ERC-funded project).

In order to comply with these requirements, Principal Investigators should therefore be able to provide evidence for the calculation of their time involvement and the time spent in the

⁵³ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

⁵⁴ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁵⁵ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

⁵⁶ http://erc.europa.eu/sites/default/files/document/file/erc_2010_work%20programme.pdf

Member States and/or Associated countries. These requirements are assessed over the entire duration of the project.

In the absence of timesheets, the burden of proof rests with the beneficiary. In the case of an on-the-spot audit, the beneficiary should be able to provide alternative evidence for each individual person working on the project. The assessment and acceptance of alternative evidence remains entirely with the auditor,

A situation where time-sheets are not maintained for researchers working 100% on an ERC project (with a contract to this effect) may be acceptable if:

- There is appropriate alternative evidence to support the declared working arrangements and
- This is compliant with the beneficiary's standard practices

Remarks concerning the Recruitment costs:

The paragraph related to the "Recruitment costs" should be read as follows:

In general, recruitment costs are not eligible as direct personnel costs since the beneficiary is required to have the human resources necessary for the action at the start of the project. If a beneficiary needs to recruit additional personnel during the course of the project the relevant costs could be considered as part of the normal indirect costs of the organisation if they fulfil the conditions of Article II.14 of the General Conditions to the ERC GA and if it is the usual practice of the beneficiary to pay for those costs.

However, the ERC's funding schemes aim to empower individual researchers and provide the best settings to foster their creativity. It may therefore be necessary to recruit additional highly specialised team-members.

Sometimes teams are formed especially for the ERC projects (e.g. specialists inexistent normally in the Host Institution before). In this case the recruitment costs could be charged as direct costs. They should be directly traceable to the project and fulfil the requirements defined in Article II.14 of the General Conditions. These could include also advertising costs.

➤ **«2. Indirect costs» (pp 67-77)**

As the ERC Grant Agreement foresees a flat rate of 20% for the reimbursement of indirect costs for all Starting, Advanced and Synergy Grants, the entire chapter of the *Guide to Financial Issues relating to FP7 Indirect Actions* is replaced by the following paragraphs:

Indirect costs are all those eligible costs which cannot be identified by the beneficiary as being directly attributed to the project, but which can be identified and justified by its accounting system as being incurred in direct relationship with the project's eligible direct costs.

Indirect costs, also referred to as overheads, are all the structural and support costs of an administrative, technical and logistical nature which are cross-cutting for the operation of the beneficiary's various activities. The nature of an indirect cost is such that it is not possible to measure directly how much of this cost is attributable to a single cost objective (see Article

II.15 of the General Conditions to the ERC GA, Single and Multi-beneficiary). They can be identified and justified nevertheless by the accounting system of the Host Institution as being incurred in direct relationship with the project's eligible direct costs.

The flat rate of 20% applies to any beneficiary whatever the method of calculation of indirect cost used in other projects funded under the Seventh Framework Programmes (EU/Euratom). The base of calculation is the total direct eligible costs of the beneficiary, excluding the costs for subcontracting and the costs of resources made available by third parties and not used on the premises of the beneficiary. In both cases, the overheads (electricity, supply, etc...) are not incurred by the beneficiary but by the subcontractor or the third party.

Example

Personnel 1.000.000

Subcontracting 100.000

Researcher from a third university who works in her/his university 20.000

Researcher from a third university who works in the premises of the beneficiary 15.000

Travel cost 5.000

Equipment 50.000

Total of direct costs 1.190.000

Calculation of indirect costs:

1.190.000 – 100.000 (subcontracting) -20.000 (researcher who does not work in the premises of the beneficiary) = 1.070.000 % 0, 20 = 214.000

Subject to the accounting principles of the beneficiaries, the following items may be considered as indirect eligible costs:

- costs related to general administration and management;
- costs of office or laboratory space, including rent or depreciation of buildings and equipment, and related expenditure such as water, heating, electricity, maintenance, insurance and safety costs;
- communication expenses, network connection charges, postal charges and office supplies;
- common office equipment such as PC's, laptops, office software;
- Miscellaneous recurring consumables; etc.

Such costs are normally deemed to be covered by the flat rate of 20% and cannot be charged as direct costs unless it is established that the accounting principles of beneficiaries consider them as direct costs and they are directly linked to the project.

7. FINANCIAL SPECIFICITIES OF COORDINATION AND SUPPORT ACTIONS (CSAs), INCLUDING PROOF OF CONCEPT

The difference between the ERC Starting and Advanced Grants on one side and the Coordination and Support Actions, on the other (included proof of concept grants) is reflected in the structure of the Description of Work and further on into the management reports. Below, the main differences:

- The Annex I is structured in two main parts, Part A and Part B;

- The costs should be reported in an one column budget format:

Cost category	Coordination/Support Amount (€)
Personnel costs	
Subcontracting	
Other Direct Costs	
Indirect costs (7%)	
Total costs	
Maximum allowable EU contribution	
Requested EU contribution	
Receipts	

- The reimbursement of indirect costs may reach a maximum of 7% of the direct costs, excluding subcontracting and the costs of resources made available by third parties which are not used at the premises of the beneficiary;
- Project reporting will be required once, at the end of the project;
- Project payments: the ERC-CSA Grants are paid in two instalments:
 - An advance payment (pre-financing) of 80% of the maximum EU contributions made within a maximum of 45 days of the date of entry into force of the ERC Grant Agreement. A percentage of 5% of the maximum financial contribution shall be transferred by the ERCEA into the Guarantee Fund in their name, corresponding to the provisions of Article II.20. However, beneficiaries are deemed to have received the full pre-financing referred to in the first indent and will have to justify it in accordance with the Grant Agreement;
 - A final payment will be made on the basis of eligible expenditures accepted at the end of the project, after the approval of the project report.

Article II.16 of ECGA – Upper funding limits

References:

- *Guide to Financial Issues relating to FP7 Indirect Actions – Upper funding limits (Article II.16 of ECGA)*, pp 77-84⁵⁷;
- *Article II.16 of the ERC Single-beneficiary GA*⁵⁸;
- *Article II.16 of the ERC Multi-beneficiaries*⁵⁹.

The reimbursement of eligible costs must be established following the principles of co-financing and non-profit.

⁵⁷ ftp://ftp.cordis.europa.eu/pub/fp7/docs/financialguide_en.pdf

⁵⁸ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁵⁹ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

For activities supported by the ERC GA, the upper funding limit is 100% of the accepted total direct eligible costs. The EU funding for the project cannot go beyond this maximum Union financial contribution indicated in Article 5 of the ERC GA.

8. ANNEX I – CHANGE OF HOST INSTITUTION

References:

- Article II.34.3 and 4 of the ERC Single-beneficiary GA⁶⁰
- Article II.36.3 and II36.4 of the ERC Single-beneficiary GA⁶¹
- Article II.34.3 and 4 of the ERC Multi-beneficiaries GA⁶²
- Article II.36.3 and II36.4 of the ERC Multi-beneficiaries GA⁶³

8.1. Introduction

One of particularities of the ERC Grants is the concept of Portability of the project. In line with Article II.34.3 and 4 (single-beneficiary) and Article II.36.3 and 4 (multi-beneficiary) of the General Conditions to the ERC Grant Agreement, the Principal Investigator based on principle of 'Portability', can transfer the project or part of it from Host Institution to another if there is a specific and justifiable reason to do so. The portability applies only to the Principal Investigator and not to the Host Institution and it should be considered to be an exception rather than the rule, as the portability could otherwise undermine the fair evaluation of the proposals.

A 'change of Host Institution' cannot be implemented without prior approval from ERCEA.

The change of Host Institution is performed through a request for amendment that can only be introduced during the lifetime of the project (i.e. after its entry into force and before the final payment). Such request should be submitted sufficiently in advance to allow ERCEA enough time to analyse and accept or reject the request.

Should transfer of the grant be agreed by the ERCEA, i.e., by means of a formal written amendment of the original ERC Grant Agreement, the original Host Institution is expected to transfer remaining funds other than those that have already been consumed to the new Host Institution. The original Host Institution is expected to take all reasonable steps to transfer equipment and other purchases made for the benefit of the project without undue delay so that the aims and the research project can be resumed without significant delays.

It is recommended to contact the ERCEA (either via the Project Officer or the amendment mail box ERC-C2-AMENDMENTS@ec.europa.eu). An Amendment Officer will provide guidance and support during the whole amendment process (templates, list of supporting documents, links to IT applications, etc).

⁶⁰ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁶¹ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

⁶² http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

⁶³ http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

8.2. Main steps of the Amendment Procedure:

(i) *Submission of the request and the supporting documents*

In order for the ERCEA to assess the request for amendment, the initial Host Institution shall provide a written request signed by the legally authorised representative of the Institution⁶⁴. The template including all the list of support documents will be provided by email by the Amendment Officer.

In addition to the request for amendment, the following supporting documents shall be provided:

- Accession form (Annex III) duly signed by the initial and the new Host Institution;
- Letter from the Principal Investigator justifying the transfer of the project to a new beneficiary (including the reasons of the request and the added value for the scientific output of the project) and detailing the results of the conducted research up to the time of the transfer of the project;
- Formal agreement from the new Host Institution regarding the takeover of the ERC Grant Agreement and its commitment to support the Principal Investigator;
- Supplementary Agreement duly signed between the Principal Investigator and the new Host Institution;
- Electronic version of the updated Description of Work (Annex I), including the revised budget breakdown (respecting the maximum Union contribution - Article 5 of the ERC Grant Agreement). A complete list of changes operated in Annex I with their respective page number must be included;⁶⁵;
- Paper version of the updated Grant Preparation Forms (GPFs) duly completed and signed;
- Banking document (Financial Identification Form – http://ec.europa.eu/budget/execution/ftiers_en.htm) filled, stamped and signed by the bank or accompanied by a copy of a recent bank statement;
- Statement about the interest/non-interest bearing nature of the bank account;
- If the legal category of the new Host Institution in PDM/NEF is not a public body, an international organisation or a secondary/higher education establishment, the verification of the financial capacity of the new Host Institution will have to be performed. For this purpose a set of financial documents (last available Balance Sheet, Profit and Loss account and statutory audit report) has to be provided. The verification follows the "Rules on verification of existence, legal status, operational and financial capacity" published under.

⁶⁴ Should the initial Host Institution objects to the change of Host Institution, it will communicate the reasons for its objection to the ERCEA, including any legal obstacle to such a transfer under the national law.

⁶⁵ The GPFs are updated through the IT application called "NEF". In order to allow the Amendment Officer to open the NEF session, the Participant Identification Code (PIC) of the new Host Institution should be provided. If the new beneficiary is not yet registered in the Unique Registration Facility (PDMURF), the beneficiary must self-register, at <http://ec.europa.eu/research/participants/portal/page/home>

(ii) *Assessment of the request by ERCEA*

Once all the necessary documents are provided, ERCEA will assess the request for change of Host Institution. As mentioned in Article II.34 (single-beneficiary) and Article II.36 (multi-beneficiary) of the General Conditions 'The parties to this Grant Agreement undertake to approve or reject any valid request for an amendment or termination within 45 days of its receipt. The absence of a response within 45 days of receipt of such a request shall be considered as a rejection.' In case of approval of the request by ERCEA, an original version of the amendment letter will be sent to both parties (initial Host Institution and new Host Institution).

(iii) *Submission of the financial report (FR)*

The initial Host Institution will have to submit a complete financial report covering the period from the start of the project/last report until the date of its withdrawal/termination from the project. This document can be provided independently from the request for amendment. However, in line with the applicable provisions⁶⁶, the initial Host Institution is requested to submit a financial report no later than 60 days after the transfer date (date of change of Host Institution).

(iv) *Approval of the costs by ERCEA and payment*

ERCEA shall assess these financial reports and proceed with the acceptance and eventual payment of eligible costs. The initial Host Institution will be invited to transfer to the new Host Institution the amount of pre-financing or any remaining balance⁶⁷ within 30 days after the costs' approval notification letter.

(v) *Evidence of bank transfer to the new Host Institution*

The initial Host Institution shall provide the ERCEA with evidence that the amount has been transferred to the new Host Institution, at the latest 10 days after the end of the time-limit indicated in the previous paragraph (30 days after the costs' approval notification letter).

⁶⁶ Article 4 of the Grant Agreement and Article II.4 of Annex II to the Grant Agreement – General Conditions, please see http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf and

http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_multi%20beneficiary.pdf

⁶⁷ Article II.6 of Annex II to the Grant Agreement – General Conditions: "The total amount of the pre-financing and interim payments shall not exceed 90% of the maximum financial contribution of the Union defined in Article 5." Please see http://erc.europa.eu/sites/default/files/document/file/erc_grant%20agreement_annex2_single%20beneficiary.pdf

9. ANNEX II – ERC SPECIFIC PROCEDURE FOR TERMINATION OF A GRANT AGREEMENT FOLLOWING SITUATIONS WHERE THE PRINCIPAL INVESTIGATOR IS NO LONGER IN POSITION TO CONTINUE WORK UNDER THE ERC PROJECT

The termination of an ERC grant where the Principal Investigator is no longer in the position to continue working under the ERC project can be initiated by any of the two parties to the ERC Grant Agreement: the ERC Executive Agency (ERCEA), or the Host Institution (beneficiary).

A specific feature of the ERC grants is that their termination can be triggered by the Principal Investigator's move to a non-EU or associated country, putting an end therefore to the Supplementary Agreement with the Host Institution. While the Supplementary Agreement does not have ERCEA as contractual party, it is however necessary for the validity of the Grant Agreement between ERCEA and the Host Institution. The termination of the Supplementary Agreement compels the Host Institution to launch the termination procedure for the Grant Agreement.

The termination of the Grant Agreement due to the fact that the Principal Investigator is no longer in the position to continue working under the ERC project remains nevertheless at the discretion of the ERCEA⁶⁸.

9.1. Requested documents

In order for a termination request to be valid, the following supporting documents must be provided:

Case 1: Termination initiated by the Host Institution

- Written request for termination sent as original mail by the Host Institution. The request must be signed by the authorised representative of the Host Institution and justify the termination, including the proposed date on which the termination shall take effect. Requests sent via e-mail are not valid.
- Justification letter from the Principal Investigator, informing about the circumstances leading to the impossibility to continue work under the ERC project.

If the Principal Investigator cannot/does not send a letter stating his/her departure from the Host Institution and from the ERC project, then the Host Institution will be requested to provide a declaration on honour stating that the employment relations with the Principal Investigator have ceased and that this one has formally left the respective entity.

⁶⁸ As the principle of proportionality requires and also the precedence in dealing with amendment requests illustrates, circumstances leading to a situation where the PI is no longer in the position to continue working under the ERC project, including his death, may not always lead to an automatic and immediate termination of the grant. Facts, such as the importance of research, the stage of research, existence of a Co-investigator, etc may plead in favour of keeping the grant going, but just adapting its description of work, budget or time frame, or opting for a longer-term phasing out.

The date of the Principal Investigator's work cessation is essential and needs to be included.

- Reports: financial report and scientific report covering the period up to the termination date as described in Article II.4 of the General Conditions to the ERC GA.

Case 2: Termination initiated by the European Research Council Executive Agency

In case the ERCEA takes note of the situation by other sources than the Host Institution that the Principal Investigator is no longer in the position to continue work under the ERC project, the termination procedure will also follow a similar two steps procedure:

- First request letter from the ERCEA to the Host Institution to either confirm or rectify the situation.
- If Principal Investigator's departure is confirmed, the standard termination procedure will be launched and the documents foreseen for this procedure will be requested.

The ERCEA shall assess the request and backup documentation and approve or reject the termination request within 45 days from the receipt of the valid request (date of Ares registration providing the proof of receipt). The absence of a response within this deadline shall be considered a rejection, as no tacit approval procedure is foreseen by the ERC GA.

9.2. Timeline of the procedure

In case the request for termination originates from the Host Institution, the ERCEA has 45 calendar days to process this termination, from the date of the receipt of the valid request (i.e. written, signed by the authorised representative of the Host Institution, in original, including the complete support documents, such as the reports specified in Article II.4 of the General Conditions to ERC GA).

In case the ERCEA launches the termination procedure, it should inform firstly the Host Institution about the ground that may lead to the termination of the ERC grant and give a period of 30 days to this one to rectify the defective situation.

If the situation is not rectified after this period, the ERCEA sends one reminder letter asking for a reaction from the side of the Host Institution within 15 days.

Passed this second notice period, the termination letter stating the effective date of termination is sent out by the ERCEA. The Host Institution will have 45 days to submit all reports detailed in Article II.4 of the General Conditions to the ERC GA starting from the effective date of the termination.

If the Host Institution considers that shortcomings (e.g. factual errors or procedural flaws) occurred in the termination proceedings having jeopardised the decision, it can submit a reasoned request for redress within 15 days of receipt of the termination letter.

If the reports are not submitted after a further notice period of 30 days, the ERCEA may decide not to take into account any further costs claims, not to make any further reimbursements or even require the reimbursement of any undue pre-financing.

9.3. Establishment of the debt owed

In establishing the debt owed, and respectively the sums to be recovered, ERCEA will take into account the particularities of the expenditure encountered by the Host Institution as well as the general laws and practice applicable in the respective country (e.g. depreciation of equipment, accrual/cash based accountancy, social rules linked to dismissal of personnel, notice time, etc.). The financial contribution is limited to those eligible costs incurred and accepted up to the effective date of termination and of any legitimate commitments taken prior to that date or up to the date of receipt of the written request to rectify the breach, as described by the Article II.36 of the General Conditions to ERC GA for Single beneficiary and Article II.38 for Multi-beneficiaries Grant Agreements.

10. ANNEX III: Characteristics of beneficiaries

	Principal beneficiary	Beneficiaries (under ERC Special Clause 30)
GENERAL	The legal entity that signs the Grant Agreement	Any legal entity that signs Annex III to the Grant Agreement (Accession Form)
	Responsible for the implementation of the project, signature of the Supplementary Agreement with the PI, administer the financial contribution, putting together the financial reports as described in Art.II.2 of	Responsible for the implementation of parts of the project as identified in Annex I - DoW
		The work of each beneficiary and the resources must be described in Annex I - DoW
	In order to be eligible, the costs of the beneficiaries must comply with Article II.14 and Article II. 17 of the General Conditions of the GA.	In order to be eligible, the costs of the beneficiaries must comply with Article II.14 and Article II. 17 of the General Conditions of the GA.
Tasks	Carries out core tasks of the project	Carry out core tasks of the project
Control/Management	Control and manage their own resources and defines the budget allocation between beneficiaries and activities	Control and manage their own resources
Responsibilities	The principal beneficiary shall carry out the work as identified in Annex I - DoW.	Beneficiaries shall carry out the work as identified in Annex I - DoW.
Accounting	The Principal Beneficiary must declare its costs , inform ERCEA of the distribution of the financial contribution and submit a summary financial report consolidating the claimed contributions of all beneficiaries	Each beneficiary must declare their costs in their own Financial Statement
Place of work	on the premises of the principal beneficiary	on the premises of the beneficiaries
Profit/Non profit	<u>Non - profit</u>	<u>Non - profit</u>
Nature of the relationship with the ERCEA	Signatory of the Grant Agreement. Beneficiaries shall fulfil the obligations indicated in the General Conditions (multiple) of the GA (Articles II.2.and II.3).	Beneficiaries shall fulfil the obligations indicated in the General Conditions (multiple) of the GA (Articles II.2.4 and II.3).
Where is the Beneficiary indicated in the GA?	The principal beneficiary is indicated in teh preamble of the Grant Agreement.	In case of multi-beneficiaries, these are indicated in the Article 7 under the special clause 30 of the Grant Agreement.
Eligible costs	Eligible costs under the project must meet the eligibility criteria indicated in Article II.14 of the General Conditions. The financial contribution to the project is paid to the principal beneficiary.	Eligible costs under the project must meet the eligibility criteria indicated in Article II.14 of the General Conditions.
Receipts to the project	Receipts of the project may arise either from resources made available by third parties to the beneficiary or income generated by the project.	Receipts of the project may arise either from resources made available by third parties to the beneficiary or income generated by the project.
Indirect Costs	The 20% flat rate.	The 20% flat rate.
Audit	The Agency or the Commission may, at any time during the implementation of the project and up to five years after the end of the project carry out financial audits.	The Agency or the Commission may, at any time during the implementation of the project and up to five years after the end of the project carry out financial audits.

11. ANNEX IV: Third Parties comparison

Third party (TP)				
<p>1. A third party is a legal entity which does not sign the Grant Agreement (GA) .</p> <p>2. A third party is not responsible for the implementation of the project.</p> <p>3. Participation of third parties must be included in the Annex I.</p> <p>4. In order to be eligible, third party costs must comply with Article II.14 and Article II.17 of the General conditions of the GA.</p>				
	Third party making resources available	Third party carrying out part of the work		
Resources/Work	This is the case where a third party makes available some resources to a beneficiary BUT does not carry out any part of the work itself.	The third party carries out part of the work.		
Control/Management	The resources made available are under the full and direct control, instructions and management of the Host Institution, which carries out the research.	Resources under the control, management of the third party		
Responsibility	The beneficiary(ies) carries out the work and is responsible for it.	The third party carries out the work (in agreement with the beneficiary), BUT the beneficiary remains responsible for the project vis-a-vis the ERCEA.		
Costs claim	The costs of the resources made available by the third party must be declared in the Financial Statement of the related beneficiary in the direct costs category.	In case of subcontracting, the costs are declared in the Financial Statement of the beneficiary. In case of Special Clause 10, the third party declares the costs in its own Financial Statement.		
Place of work	The resources made available by the third party are usually used on the premises of the beneficiary.	Usually the work is carried outside the premises of the beneficiary.		
	Free of charge	Against reimbursement of costs	Subcontracting	Special clause 10
Profit/Non profit	There is no-profit for the third party.	There is no-profit for the third party.	There is a profit for the subcontractor (The subcontractor's motivation is pecuniary).	There is no-profit for the third party.
Legal basis of the relationship between the beneficiary and the third party	An agreement defines the frame in which the resources are made available.	An agreement defines the frame in which the resources are made available.	The subcontracting costs must be awarded according to the principles of best value for money, transparency and equal treatment.	A formal relationship has to exist between the beneficiary and the third party. This relationship is not limited to the ERC GA , neither is created specifically for the work in the ERC GA. It usually pre-dates and outlasts the ECGA.
Mention in the Grant Agreement	The third party and the resources provided must be indicated in the Annex I	The third party and the resources provided must be indicated in the Annex I.	The tasks to be subcontracted must be described in the Annex I. An estimation of the subcontracting costs must appear in the Annex I. The name of the subcontractor shall not be indicated in the Annex I as it is subject to procurement rules.	The third party must be identified in the core text of the GA in the Article 7, under the special clause 10.

	Third party making resources available		Third party carrying out part of the work	
	Free of charge	Against reimbursement of costs	Subcontracting	Special clause 10
Payment for the third party participation	The resources made available by the third party to the beneficiary are free of charge.	The real costs for the resources made available by the third party are reimbursed by the beneficiary	The beneficiary pays based on invoices from the subcontractor and charges these costs as subcontracting costs in the Financial Statement.	The third party under special clause 10 declares its own costs directly to ERCEA through its own Financial Statement.
Receipts to the project	The resources made available by the third party will be considered as a receipt to the project, if they have been contributed by the third party to one project specifically.	Not applicable	Not applicable	Not applicable
Accounting for third party costs	Costs must be recorded in the accounts of the third party	Costs must be recorded in the account of the beneficiary	Costs must be recorded in the account of the beneficiary	Costs must be recorded in the accounts of the third party.
How to declare costs?	Third party's costs shall be declared by the beneficiary in the Financial Statement.	Third party's costs shall be declared by the beneficiary in the Financial Statement.	The subcontracting costs are declared by the beneficiary in the Financial Statement .	The third party submits its own Financial Statement to the Beneficiary
Indirect Costs	If the resources provided by the third party are used on the premises of the beneficiary the flat rate of 20% indirect costs applies. If not, only the real overheads of the third party can be charged, if justified.	If the resources provided by the third party are used on the premises of the beneficiary the flat rate of 20% indirect costs applies. If not, only the real overheads of the third party can be charged, if justified.	These costs do not generate indirect costs	The Flat Rate of 20% indirect costs applies on the costs declared by the third party in its Financial Statement.
Audit	Costs must be recorded in the accounts of the third party which can be audited if required	The ERCEA has the right to audit the costs originating from the third parties	The beneficiary must ensure that the subcontractor can be audited by the ERCEA, Commission or the Court of Auditors.	The rules concerning controls and audits of Article II.22 and Article II.23 of ERCGA apply.
SPECIAL CASES				
	Third party making resources available		Third party carrying out part of the work	
	Foundations, spin-off companies,ect.,created in order to manage the administrative tasks of the Host Institution			Cases specifically covered by the special clause 10:
	Special clause 38			Joint Research Units (JRU)
	The case of resources (professor/equipment) working for, used by a university but whose salaries/costs are paid by the Government			European Economic Interest Grouping (EEIG)
	Specific "ad-hoc" agreement between a Host Institution and a third party to cooperate in a project			Affiliates
	the case of an "interim" or temporary work agency that makes available staff to a Host Institution			Groupings

12. ANNEX V: Template of ERC financial report



FINANCIAL REPORT

Call reference:

Grant Agreement number:

Project acronym:

Principal Investigator's name:

Project title:

Project starting date:

Periodic report: 1st 2nd 3rd 4th 5th 6th 7th 8th 9th

Period covered: **from** **to**

Host Institution and Contact person:

Tel:

Fax:

E-mail:

Project website address:

Declaration of honour

We the undersigned, declare on our honour that:

- 1 To our best knowledge, the attached Financial Report represents a realistic estimate of the work carried out for this project and reflects an appropriate use of financial resources for this reporting period;
- 2 The project (tick as appropriate):
 - has fully achieved its objectives and technical goals for the period;
 - 2.1 has achieved most of its objectives and technical goals for the period with relatively minor deviations;
 - has failed to achieve critical objectives and/or is not at all on schedule.
- {In case the Grant Agreement contains special clauses 14, 15 and/or 16 and the research is subject to renewal or extension of favourable opinion(s) from the relevant ethics committee and, if applicable, regulatory approval(s) of the competent national or local authorities,}
We confirm that:
 - Authorisations/opinions are still valid and/or renewals are not needed
 - Necessary steps have been taken to ensure renewals in time and send copies to ERCEA¹

For the Host Institution²:

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

Signature and Name.....

The Principal Investigator:

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

Signature:

¹ All relevant Documents should be directed to: ERCEA-ETHICS-MONITORING@ec.europa.eu

² Name of the contact person or authorised representative, as identified in the Grant Agreement and/or underlying documentation

1. PROJECT MANAGEMENT

- 1 *{for the first Financial Report only} Please indicate the effective start date and describe the start-up phase of the project.*
- 2 *Describe how relations between the Principal Investigator and the Host Institution were managed (i.e. have the provisions of the Supplementary Agreement been respected? What is the kind of administrative support provided by the Host Institution?)*
- 3 *Please describe how the expenses incurred during the reporting period have developed in comparison with the original budget breakdown as per Annex I of the Grant Agreement and their link to the project. Any over- or under- consumption in comparison to the budget foreseen should be explained. In particular, information is needed on the tasks of the various team members, the equipment used for the project (even if not charged to the project), details of travel, consumables and/or other direct costs. In case of sub-contracting, please explain the part of the work which was subcontracted and the procedures followed. In case of third parties contributing to the project, please describe the cooperation modalities.*
- 4 *In case you intend to propose reallocations between the various budget categories, please explain these and record them in the budget follow-up table, page 5, section 3.2. This will avoid an amendment procedure for budget re-allocation – except if you want to add sub-contracting of tasks or new third parties not yet mentioned in your grant agreement.*
- 5 *In case you are submitting a cost adjustment to previous periods (adjustment Financial Statement to be submitted in FORCE), please clarify to what this adjustment is related to.*
- 6 *Where relevant, please include a summary of the recommendations from audits or technical reviews and indicate how these have been taken into account.*
- 7 *In case the legal status of one of the beneficiaries being a non-profit public body, secondary and higher education establishment, research organisation and SME has changed, please report in accordance with Article II.3.f of the multi-beneficiary Grant Agreement.*

2. PROJECT ACHIEVEMENTS

- *Please give a global overview of the project's implementation for the reporting period (no more than ½ page) and elaborate on the problems including delay, cancellation, postponement of activities/work tasks which have incurred and how they have been addressed (if applicable).*
- *Please list publications, papers, etc, so that the ERCEA has a record of their existence, **unless** they have been uploaded in SESAM¹.*

¹ <http://ec.europa.eu/research/participants/portal/appmanager/participants/portal>

3.1 BREAKDOWN OF DIRECT COSTS

Direct costs should be detailed as below.



Breakdown of direct costs

Project Number		Acronym	
Period Start date		Period number	
Period End date		Duration of the project (in months)	
Number of Months (of the period)		Project Start Date	

Personnel working on the ERC Project							
Name and surname	Staff category	Employment period	100% commitment to the project	Number of man hours (during the Reporting Period) [WH]	Salary costs (during the Reporting Period) [S]	Productive time (during the Reporting Period) [PT]	Total Staff amount (Euro) [(S/PT)*WH]
				0	0	0	
				0	0	0	
				0	0	0	
				0	0	0	
				0	0	0	
Sub-Total							

Equipment							
Description	Date of purchase	Depreciation period (months) [A]	Depreciation period (months) [B]	Cost of purchase [B]	Number of months of utilisation during the Reporting Period [C]	% of allocation to the project [D]	Amount charged to project [(B/A)*C*D]
							0,00€
							0,00€
							0,00€
							0,00€
							0,00€
Sub-Total							

Other costs	
Consumables	
Travels	
External visitors	
Publications	
Other (please specify)	
Sub-Total	

Third party costs which DO NOT generate indirect costs	
1. Third party costs reimbursed by the beneficiary and incurred outside its premises	
2. Subcontracting	
Sub-Total	
Total	

SPECIMEN,
PLEASE USE THE EXCEL TABLE ATTACHED

3.2 BUDGET TABLE FOLLOW-UP

This table corresponds to "Resources - Table 1" contained in Annex I to the Grant agreement and it is needed to monitor the budget consumption of your project. Consequently, please complete the table below in 2 stages:

1. Start with encoding the actual costs in the columns corresponding to the present and past (if necessary) reporting period/s. For example, if you are preparing the report of Period 1 you will input the costs incurred in the column "months 1-18" or "months 1-9".
2. Complete the table with a provisional budget allocation for each remaining period.

Please keep in mind that the total must always match the Max EU contribution as set in art. 5 of the grant agreement.

The carry-forward of unused funds from, for example, period 1 to period 2 is of course possible but explanations for relevant deviations (over or under spending) and re-allocation in between budget categories should be given in Chapter 1 "project management".

European Research Council
Executive Agency



To be used if the length of the financial reporting period is 18 months (cfr. Art. 4.2 of the GA)

Budget Follow-up (18 months)

Project Number	230000	Acronym	XXXXXX
Period Start date	1/03/2009	Period number	1
Period End date	31/07/2010	Duration of the project (in months)	60
Number of Months (of the period)	18	Project Start Date	1/03/2009

	Cost Category	month 1 to 18	month 19 to 36	month 37 to 54	month 55 to 60	Total
Direct Costs:	Personnel:					
	PI					-
	Senior Staff					-
	Post docs					-
	Students					-
	Other	-	-	-	-	-
	Total Personnel:	-	-	-	-	-
	Other Direct Costs:					
	Equipment					-
	Consumables					-
	Travel					-
	Publications					-
	Other					-
	Total Other Direct Costs:	-	-	-	-	0,00 €
	Total Direct Costs:	-	-	-	-	-
Indirect Costs (overheads):	20% of Direct costs	-	-	-	-	-
Subcontracting Costs:	(No overheads)					-
Total Requested Grant:	(by reporting period and total)	-	-	-	-	-

Please indicate the % of working time the PI dedicates to the project over the period of the Grant :	20,00%
--	--------

4. FINANCIAL STATEMENTS – MODEL FINANCIAL STATEMENT AND SUMMARY FINANCIAL REPORT

For a single beneficiary project the beneficiary should submit the financial statement using the template provided. If *special clause 10* applies to your Grant Agreement, please also include a separate financial statement from each third party as well.

For a multi-beneficiary project, the principal beneficiary should submit a separate financial statement from each beneficiary (if Special Clause 10 applies to your Grant Agreement, please include a separate financial statement from each third party as well) together with a summary financial report which consolidates the claimed Community financial contribution of all the beneficiaries in an aggregate form, based on the information provided in the Financial Statement by each beneficiary.

When applicable, certificates on financial statements shall be submitted by the concerned beneficiaries according to Article II.4.5 of the single beneficiary grant agreement, or Article II.4.6 of the multi-beneficiary grant agreement.

IMPORTANT:

Please make sure that you use the correct form corresponding to your project. **Templates for the Financial Statements are provided in Annex IV of the Grant Agreement.** An example is provided here below. The correct form must be introduced via the FORCE programme, which is accessible via the ECAS portal at the following address:

<https://webgate.ec.europa.eu/ecas> & <https://webgate.ec.europa.eu/FormC>

ERC Annex IV - Model of Financial Statement (to be filled by a beneficiary)			
Project nr	nnnnnn	Funding scheme	Support for frontier research
Project Acronym/Shorttitle	XXXXXXXXXXXXXXXXXXXX		
Period from	dd/mm/aa	Is this an adjustment to a previous statement ?	Yes/No
To	dd/mm/aa		
Legal Name			
Organisation short Name		Beneficiary nr	nn
flat rate for indirect costs, specify %	%		

1- Declaration of eligible costs/ flat-rate/lump sum (in €)

	TOTAL
Personnel costs	
Subcontracting	
Other direct costs	
Indirect costs	
Lump sums declared	
Total	
Maximum EC contribution	
Requested EC contribution	

2- Declaration of receipts

Did you receive any financial transfers or contributions in kind, free of charge from third parties or did the project generate any income which could be considered a receipt according to Art.II.17 of the Grant Agreement?
If yes, please mention the amount (in €)

3- Declaration of interest generated by the pre-financing (to be completed only by the beneficiary/principal beneficiary)
Did the pre-financing you received generate an interest according to Art. II.19 ?
If yes, please mention the amount (in €)

4- Certificate of the methodology
Do you declare to use personnel costs according to Art. II.14.1 ?
If yes, please mention the amount (in €)

4-1. Have you obtained a certificate of the methodology provided by an independent auditor and accepted by the Commission according to Art. II.14.1.4 ?

Name of the auditor Cost of the certificate (in €), if charged under this project

5- Certificate on the financial statements
Is there a certificate on the financial statements provided by an independent auditor attached to this financial statement according to Art.II.4 ?

Name of the auditor Cost of the certificate (in €)

6- Beneficiary's declaration on its honour.

We declare on our honour that:

- the costs declared above are directly related to the resources used to attain the objectives of the project and fall within the definition of eligible costs specified in Articles II.14 and II.15 of the grant agreement, and, if relevant and Article 7 (special clauses) of the grant agreement ;
- the receipts declared above are the only financial transfers or contributions in kind, free of charge, from third parties and the only income generated by the project which could be considered as receipts according to Art. II.17 of the Grant Agreement.
- the interest declared above is the only interest generated by the pre-financing which falls within the definition of Art. II.19 of the grant agreement ;
- there is full supporting documentation to justify the information hereby declared. It will be made available at the request of the Commission and in the event of an audit by the Commission and/or by the Court of Auditors and/or their authorised representatives.

Beneficiary's Stamp	Name of the Person(s) Authorised to sign this Financial Statement
	Date & signature

Project nr	nnnnn	Funding Scheme	Support for frontier research
Project Acronym/Shorttitle	xxxxxxxxxxxxxxxxxxxx		
Period from	dd/mm/aa	Is this an adjustment to a previous statement ?	Yes/No
To	dd/mm/aa		
Legal Name			
Organisation short Name		Beneficiary nr	nn
flat rate for indirect costs, specify %	%		

1- Declaration of eligible costs/ flat-rate/lump sum (in €)

	TOTAL
Personnel costs	
Subcontracting	
Other direct costs	
Indirect costs	
Lump sums declared	
Total	
Maximum EC contribution	
Requested EC contribution	

2- Declaration of receipts

Did you receive any financial transfers or contributions in kind, free of charge from third parties or did the project generate any income which could be considered a receipt according to Art.11.17 of the Grant Agreement ?
If yes, please mention the amount (in €)

Yes/No

3- Declaration of interest generated by the pre-financing (to be completed only by the beneficiary/principal beneficiary)
Did the pre-financing you received generate any interest according to Art. 11.19 ?
If yes, please mention the amount (in €)

Yes/No

4- Certificate on the methodology

Do you declare average personnel costs according to Art. 11.14.1?
Is there a certification on the methodology provided by an independent auditor and accepted by the Commission according to Art. 11.4 ?

Yes/No
Yes/No

Name of the auditor: _____ Cost of the certificate (in €), if charged under this project: _____

5- Certificate on the financial statements

Is there a certificate on the financial statements provided by an independent auditor attached to this financial statement according to Art.11.4 ?

Yes/No

Name of the auditor: _____ Cost of the certificate (in €): _____

6- Beneficiary's Declaration on its honour.

We declare on our honour that:

- the costs declared above are directly related to the resources used to attain the objectives of the project and fall within the definition of eligible costs specified in Articles 11.14 and 11.15 of the grant agreement, and, if relevant and Article 7 (special clauses) of the grant agreement ;
- the receipts declared above are the only financial transfers or contributions in kind, free of charge, from third parties and the only income generated by the project which could be considered as receipts according to Art. 11.17 of the Grant Agreement.
- the interest declared above is the only interest generated by the pre-financing which falls within the definition of Art. 11.19 of the grant agreement ;
- there is full supporting documentation to justify the information hereby declared. It will be made available at the request of the Commission and in the event of an audit by the Commission and/or by the Court of Auditors and/or their authorised representatives.

Thir party's Stamp	Name of the Person(s) Authorized to sign this Financial Statement
	Date & signature

To be filled for multi beneficiary projects only

Summary Financial Report, to be filled in by the principal beneficiary										
Project acronym				XXXXXXXXXXXXXXXXXXXXXXXXXXXX				Project nr		nnnnnn
Funding scheme		ERC	Reporting period from			dd/mm/aa		to:		dd/mm/aa
Beneficiary nº	If 3rd Party linked to beneficiary	Adjustment (Yes/No)	Organisation Short Name			Total	Max EC Contribution	Page		1/1
1										Receipts
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
TOTAL										
Requested EC contribution for the reporting period (in €)										

Cost of the certificate (in €), if charged under this project

SPECIMEN
To be encoded in FORCE

5. CERTIFICATES

List of Certificates which are due for this period, in accordance with Article II.4.5 of the single beneficiary Grant Agreement and Article II.4.6 for the multi beneficiary grant agreement.

Beneficiary	Organisation short name	Certificate on the financial statements Provided? yes / no¹	Any useful comment, in particular if a certificate is not provided
1			
2			
Etc.			

A copy of each duly signed certificate on the financial statements or on the methodology should be included in this section, according to the table above (signed originals to be sent in parallel by surface post).

¹ According to the art.180.2 of the IR and the art II.4.5 of the ERCGA, a Certificate on the Financial Statements (CFS) is mandatory for every claim (interim or final) in the form of reimbursement of costs whenever the amount of the Community financial contribution is equal or superior to EUR 375,000 (cumulative total of all previous payments for the same project for which a CFS has not yet been submitted). Once a CFS is submitted, the threshold of EUR 375,000 applies again for subsequent Community financial contributions but the count starts from 0. In case of a multibeneficiary grant agreement (special clause 30) this threshold is to be applied per beneficiary. In case of a third party linked to the beneficiary (special clause 10) the threshold of € 375 000 is calculated as the sum of costs of the beneficiary and the third party.

WORKFORCE TABLE

Personal information on staff-members in ERC-funded projects

Note: The following form is **not a part of the Financial Report**. It is used to collect information which will support the assessment of the impact of ERC funding schemes. This will help the Scientific Council provide evidence on the outcomes of its funding activities and to further develop its funding schemes.

The Scientific Council of the ERC wishes to understand and report on the impact of the ERC funding on the training of the next generation of researchers in Europe. In addition to reporting on numbers of staff members in ERC-funded projects, there is a need to document their key demographic characteristics (gender, age, nationality); their mobility patterns (institutional, regional) and the (inter)-disciplinary setting in which they work (subject areas). Names are needed to analyse their contribution to project-related publications and for future reference in subsequent studies about their career trajectories.

The provision of data is subject to the consent of staff members whose data are being provided.

All data will be processed by the ERCEA pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies. Data providers are entitled to obtain access to their personal data on request and to rectify any such data that is inaccurate or incomplete.

We hope that all staff members in ERC-funded projects will be willing to support this effort.

Basic information					Latest degree earned					Latest postdoctoral or professional station (if any)				Time in project		If the staff member finished his doctorate during the project	
Names or unique initials	staff category	Gender	Year of Birth	Nationality	Degree	Year awarded	Institution	country	Subject Area	Activity	Years (from/to)	Institution	Country	Start in Project (monthly year)	End of contract in project (monthly/year)	Month / Year (of last oral examen / defence)	Subject Area
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	
9																	
10																	

**SPECIMEN,
PLEASE USE THE EXCEL TABLE ATTACHED**

ANNEX VI: Template for Scientific Reporting

European Research Council
Executive Agency



Department B: Scientific Department

Project No:

Project Acronym:

Project Full Title:

ERC GRANT

Mid-Term Activity Report

Period covered: from to

Start date of project:

Principal Investigator name:

Host Institution name:

Date of preparation:

Date of submission:

Duration:

Grant Mid-Term Activity Report

GENERAL INFORMATION

Project No:

Project acronym:

Project full name:

Period number:

Period covered - start date:

Period covered - end date:

Project start date:

Project duration [months]:

Principal Investigator name:

Host Institution name:

Date of submission:

SUMMARY OF THE MAJOR ACHIEVEMENTS SINCE THE START OF THE PROJECT (2 pages)

The information provided in this section will only be made available to ERC staff and to the ERC Panel Members

Describe your work towards objectives performed during the period covered by this report and the outcome of the achievements, in terms of

-research and technological achievements and the impact and use of them

-novel and/or unconventional methodologies

-inter and cross disciplinary developments

-knowledge and technology transfer

-establishment and/or consolidation of the research group

-others

PUBLISHABLE BRIEF SUMMARY OF THE ACHIEVEMENTS OF THE PROJECT (*1 page*)

The summary should be a stand-alone description of the project and its outcomes. This text should be as concise as possible and suitable for dissemination to non-specialist audiences.

MAJOR PROBLEMS/DIFFICULTIES (1 page)

The information provided in this section will only be made available to ERCEA staff

Please specify any major problems/difficulties you may have encountered until now or may anticipate in the near future. Please, suggest possible corrective actions

Scientific problems

Technical problems

Support provided by the Host Institution (Start-up facilities, working space, access to labs, equipment, resources, etc)

Others

Information you would only want to share with ERCEA (1 page)

LIST OF KEYWORDS

Attachments: Other attachments you would like to provide for consideration. Please note, that a publication list will be automatically provided from the updated Publication Records

European Research Council
Executive Agency



Department B: Scientific Department

Project No.:
Project Acronym:
Project Full Title:

ERC GRANT

Final Scientific Report

Start date of project:

Date of preparation:

Principal Investigator name:

Date of submission:

Host Institution name:

Duration:

Grant Final Scientific Report

GENERAL INFORMATION

Project No.:

Project acronym:

Project full name:

Period number:

Period covered - start date:

Period covered - end date:

Project start date:

Project duration [months]:

Principal Investigator name:

Host Institution name:

Date of submission:

SUMMARY OF THE MAJOR PROJECT ACHIEVEMENTS OVER THE ENTIRE PERIOD (2 pages)

The information provided in this section will only be made available to ERCEA staff and to the Evaluation Panel Members

Describe your work towards objectives performed during the period covered by this report and the outcome of the achievements, in terms of

-research and technological achievements and the impact and use of them

-novel and/or unconventional methodologies

-inter and cross disciplinary developments

-knowledge and technology transfer

-enhancing the immediate research environment

-establishment and/or consolidation of the research group

-others

**PUBLISHABLE BRIEF SUMMARY OF THE ACHIEVEMENTS OF
THE PROJECT** (1 page)

The summary should be a stand-alone description of the project and its outcomes. This text should be as concise as possible and suitable for dissemination to non-specialist audiences.

* Please, notice that this summary will be published

OVERALL ASSESSMENT OF THE ACHIEVEMENTS AND SUCCESS OF THE PROJECT

The information provided in this section will only be made available to ERCEA staff

To what extent have you achieved your objectives? (5-10 lines)	
What are the most important conclusions of your research? (10 lines)	
To what extent have you gone beyond the state of the art? (5-10 lines)	
What is the impact of the project (within the scientific community and on society)? (5-10 lines)	
How effectively has the project helped you start or consolidate your research group? (10 lines)(for Starting Grants only)	
How well have you been supported by your Host Institution? (5-10 lines)	
What difference did the ERC make? (5-10 lines)	

<p>How many people completed a PhD in the framework of the project?</p>	
<p>How many people started a PhD in the framework of the project?</p>	

Information you would only want to share with ERCEA (1 page)

LIST OF KEYWORDS

WEBSITES WHERE ADDITIONAL INFORMATION MAY BE FOUND

Attachments: Other attachments you would like to provide for consideration. Please note, that a publication list will be automatically provided from the updated Publication Records

Date and signature