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| UPDATE ON THE MANAGEMENT OF ERC GRANTS |
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In line with the general ERCEA policy to simplify and mainstream procedures to facilitate the implementation of projects for the beneficiaries, in 2011 a series of new measures were introduced, which are now being applied regularly as part of standard grant management. These latest updates shall be disseminated via National Contact Points and via the ERCEA's website and updated regularly.

For further information please contact: ERC-C2-AMENDMENTS@ec.europa.eu

1. Modification of the start date of the grant agreement

ERC grants are expected to start at the beginning of the month following the signature of the grant agreement and no later than 6 months after the signature date.

As a delay of 6 months is admissible, for delays in start date shorter than this period, no amendment to the grant agreement is needed. Minor delays are expected to be caught up by beneficiaries during the implementation of their project.

If it is proved necessary for the scientific outcome of the project, an extension of the project might be considered later on, after the approval of the scientific mid-term report.

2. Reduction of the duration of the grant agreement (related to an application in ERC Synergy Calls)

Following the ERC granting rules, one Principal Investigator (PI) can be active only in one ERC grant at a time. Since ERC has launched its new funding scheme, ERC-Synergy-Call, the Agency has received numerous applications from PIs, currently involved in ERC grants, to reduce the duration of their projects in order to allow them to take part in the Synergy call for proposals.

ERCEA would like to remind a few critical points to PIs, interested to request such a modification:

1. Many applications are expected for this new funding scheme, although there is going to be a very limited number of grants to be funded (around 10-12 grants of approximately 15 millions each).
2. If approved, the project duration once reduced cannot be extended ulteriorly through another amendment (even in case of failure in the application/evaluation process).
3. A request for reduction of the duration of a project has to be approved by the Scientific Department which will evaluate if the goals of the project can be reached in a shorter time. On a case-by-case basis, shortening could go ahead with a pro-rata reduction of the maximum EU contribution.
5. If the Mid term-scientific report has not yet been submitted, a reorganisation of the scientific period can be also envisaged in order to keep the submission of the mid-scientific report at the middle of the new duration of the project.

3. Modification of Annex I (Description of Work). Changes in the budget

As a general rule, any change in the Annex I (Description of Work) has to be firstly approved by the Scientific Department in order to ensure that the outcome foreseen in the project evaluation is still achievable.

A formal amendment is always requested for modification of the Description of Work in the following cases:

- Removal/addition of tasks in the ERC grant agreement, or for substantial changes in the distribution of the work between beneficiaries (in case of multi-beneficiary grants).
- The introduction of third parties and/or subcontractors (exception for subcontracting of minor tasks).

However, reallocations of funds between reporting periods and costs categories that do not have an impact on the scientific objectives as foreseen in the Annex I do not require any longer a formal amendment as long as they do not refer at one of the situations mentioned above. In this case, beneficiaries will only have to explain budget deviations and reallocations in the forthcoming financial report.

4. Interest Bearing Bank Account Exemption:

The European Commission has decided to extend the exemption from the obligation to generate interest on pre-financing from the opening of an account to also operating of an interest-bearing bank account.

Therefore, beneficiaries whose administrative or financial burden arising from the opening and/or operation of an interest-bearing bank account are as high as, or higher than the interest that can reasonably be expected to be earned could claim for an exemption.

Beneficiaries whose requests for exemption were denied in the past on the grounds that the exemption did not apply to the phase of operating the bank accounts are entitled to request such an exemption from now on. Generally, the Commission will accept such declarations on the basis of trust.

To do so, an amendment of the banking details is to be done including an agreed date, which cannot be anterior to the exemption approval, from which the exemption starts applying.

Whenever the beneficiary uses his right to invoke the exemption by signing the declaration and effectively stops declaring interest on pre-financing, this must mean that its bank account has effectively stopped generating interest on that pre-financing (i.e. the funds are deposited on an account not bearing interest). If it was discovered that it still earned interest on the pre-financing that interest would be owed to the Commission under Article 5(4) of the Financial Regulation and this behaviour would be considered a breach of contract.

All formal requests for exemption or to change the interest bearing character of a bank account shall be assessed by the Central Validation Centre (requests, declaration and support documents shall be forwarded electronically to REA-URF-Validation@ec.europa.eu)

Exemptions are not applicable retroactively.

5. Changes of Authorised Representatives

For changes in authorised representatives, the requests can be grouped in one information letter if all the parties are the same (i.e. former authorised representative, new one, contact person)

Changes in NEF are no longer required from the beneficiary; these are done directly by the ERC Project Officer. GPF do not need to be signed and send any longer. The specimen signature of the new authorised representatives will be included already on the template request information letter.