

How to establish, manage and finance the consortium

Example of ERA-NET E-Rare



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Implementing ERA-NET Cofund

A hands-on Workshop for new practitioners in ERA-NET Cofund

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Berlin, Germany

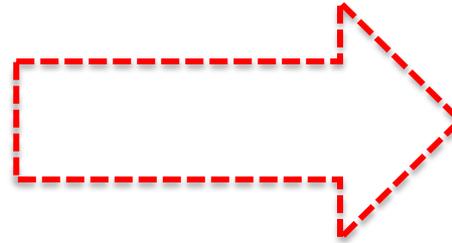


Establishment of the consortium



Establishment of the consortium: when to start?

**NATIONAL PROGRAMME
COMMITTEE
REPRESENTATIVE(S)**



EN

Horizon 2020

Work Programme 2018-2020

8. Health, demographic change and wellbeing

IMPORTANT NOTICE ON THIS WORK PROGRAMME

This Work Programme covers 2018, 2019 and 2020. The parts of the Work Programme that relate to 2019 (topics, dates, budget) have, with this revised version, been updated. The changes relating to this revised part are explained on the Participant Portal. The parts that relate to 2020 are provided at this stage on an indicative basis. Such Work Programme parts will be decided during 2019.

(European Commission Decision C(2018)4708 of 24 July 2018)

Ministries

Funding agencies

Scientific community

Advisory groups

European Technology Platforms

BOTTOM-UP PROCESS



Establishment of the consortium: whom to involve?

Programme Owners or Managers

Basic

Conditional

**REGIONAL/NATIONAL
PROGRAMME FUNDERS**



**RESEARCH PERFORMING
ORGANISATIONS**



**INTERNATIONAL
ORGANISATIONS/FOUNDATIONS/NON-
PUBLIC PROGRAMMES**





Establishment of the consortium: whom to involve?

Example of E-Rare

Programme Owners or Managers

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**INTERNATIONAL
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Basic

19 EU/associated
Funding agencies
or ministries

Conditional

3 Canadian
funders/ 1 agency
using structural
funds/ 2 EU
funders without
EC contribution

1 RPO involved in
communication/di
ssemination &
strategy activities

EU umbrella of
patient
organisations

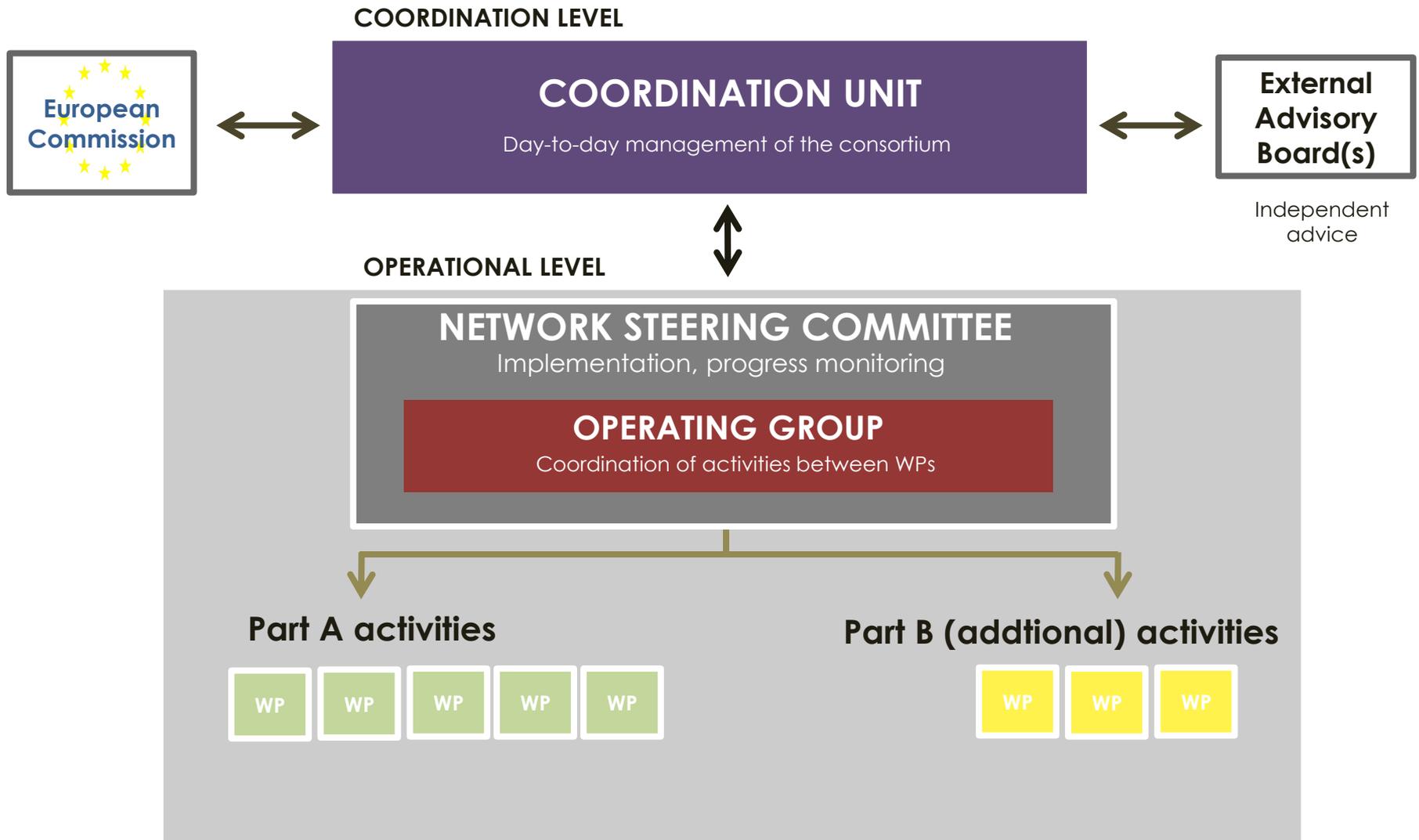




Management of the consortium



Management of the consortium: example of operational organization of E-Rare-3



The management and operational structure is very much dependent on what you plan in your project



Management of the consortium: operational organization – what you can do and what to keep in mind

There is no fixed model for operational organization – you can do what you want BUT...

- **Network Steering Committee and Operating Group:**
 - Depend on the size of the consortium
 - OG may be useful if many partners are involved, many WP planned and Coordination needs additional support
- **External (Scientific) Advisory Board:**
 - May be established for the duration of the ERA-Net or ad hoc → if established do not forget to define well the role and frequency/type of advise
- **Coordination:**
 - Should be centralized (minimize separation of management tasks)
 - Takes responsibility for some additional internal (financial) monitoring



Management of the consortium: Who does what – share of activities in E-Rare-3

- **COORDINATION:** Coordination Unit under responsibility of single partner + Operating Group composed of WP leaders
- **JOINT TRANSNATIONAL CALLS (1 cofund + 3 additional):**
 - Each call secretariat under responsibility of different funding agency (but with common proposal submission & evaluation system)
 - 2 face-to-face evaluation meetings per call, usually each one organized by different partner (not call secretariat), which allows share of responsibilities and workload
- **ADDITIONAL ACTIVITIES:**
 - Communication & dissemination
 - Strategy & sustainability
 - Monitoring and assessment of funded projects

Shared between
several partners

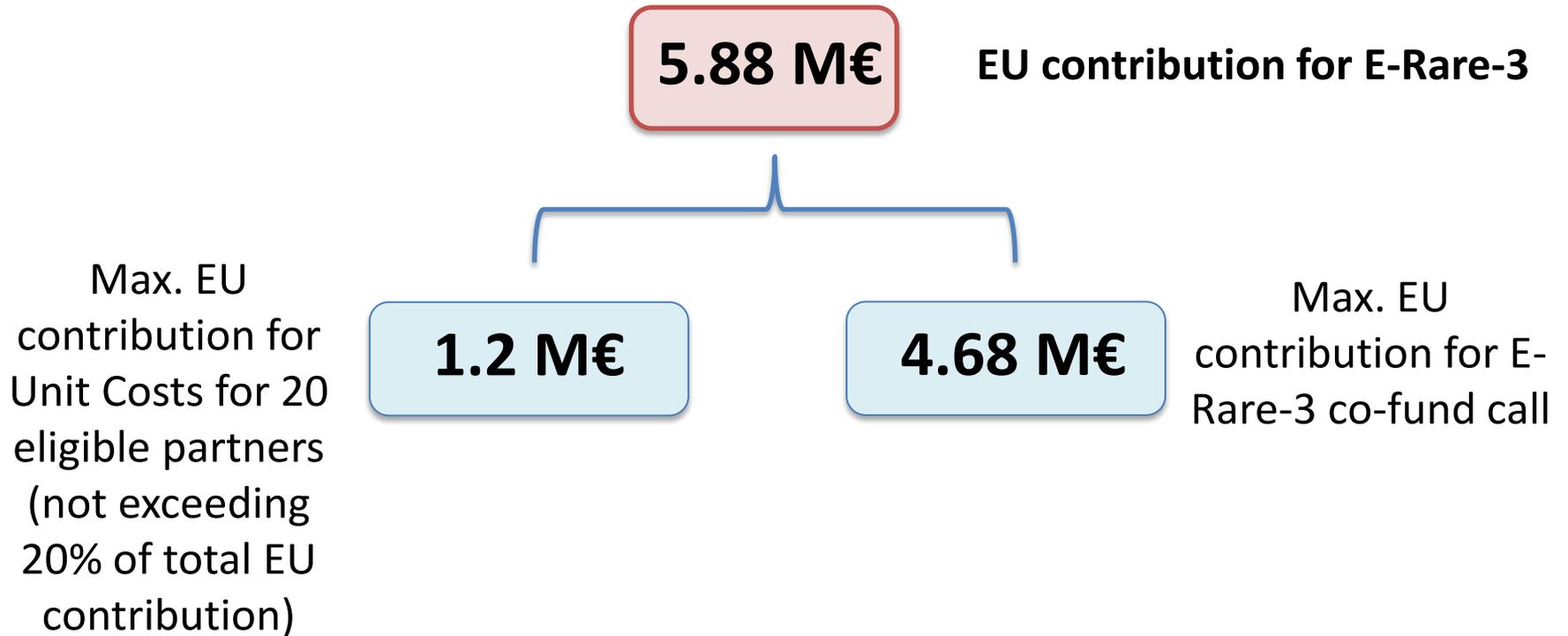




Financing of the consortium activities



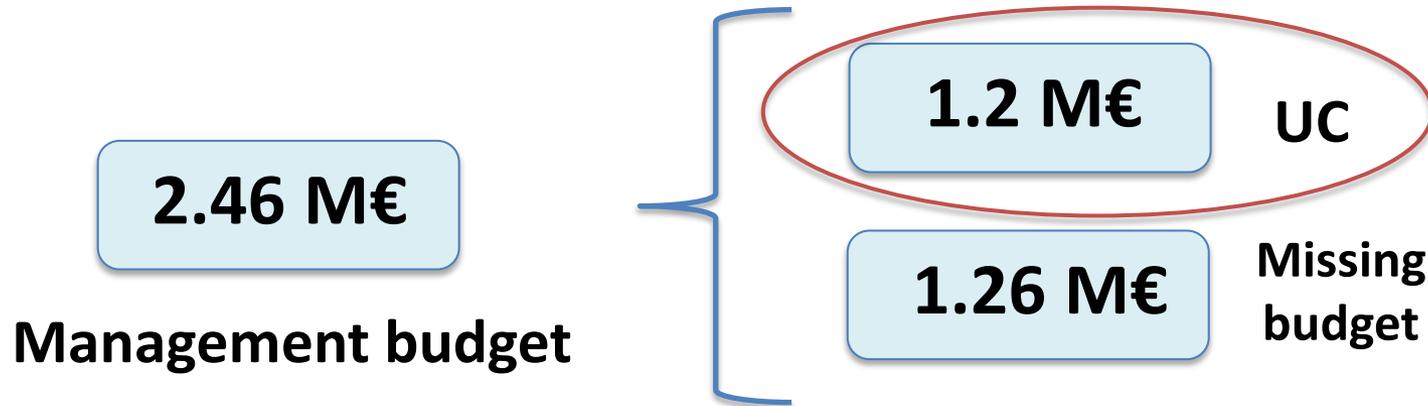
E-Rare-3 budget





E-Rare-3 budget

Management costs



E-Rare-3: Unit Costs are mutualized and redistributed to partners according to their share of activities

Example: some partners receive more than 60 K€ and some others less

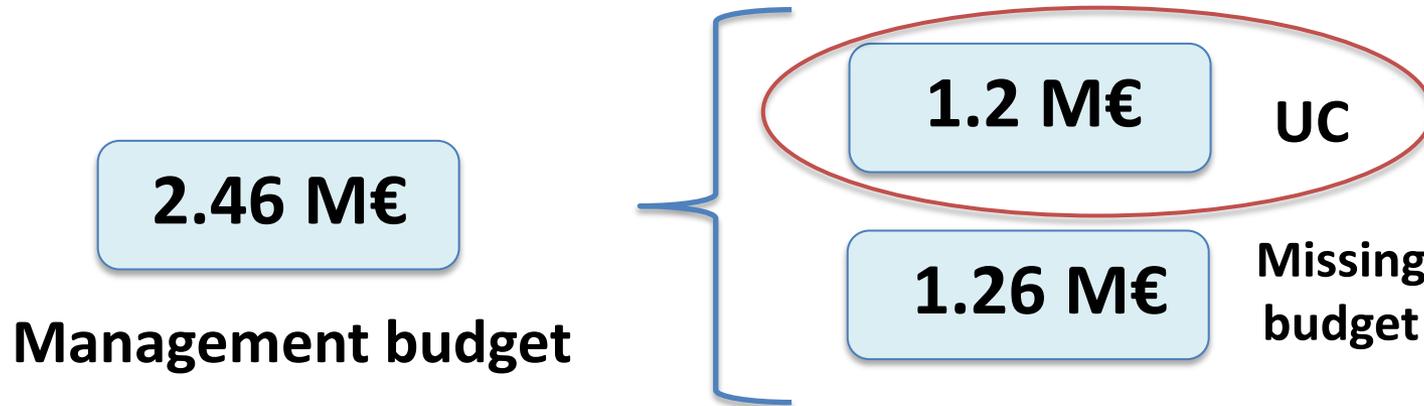
OPTION: Each beneficiary receives its share of Unit Costs

Example: each partner receives 60 K€



E-Rare-3 budget

Management costs



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Example: some partners receive more than 60 K€ and some others less

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Example: each partner receives 60 K€

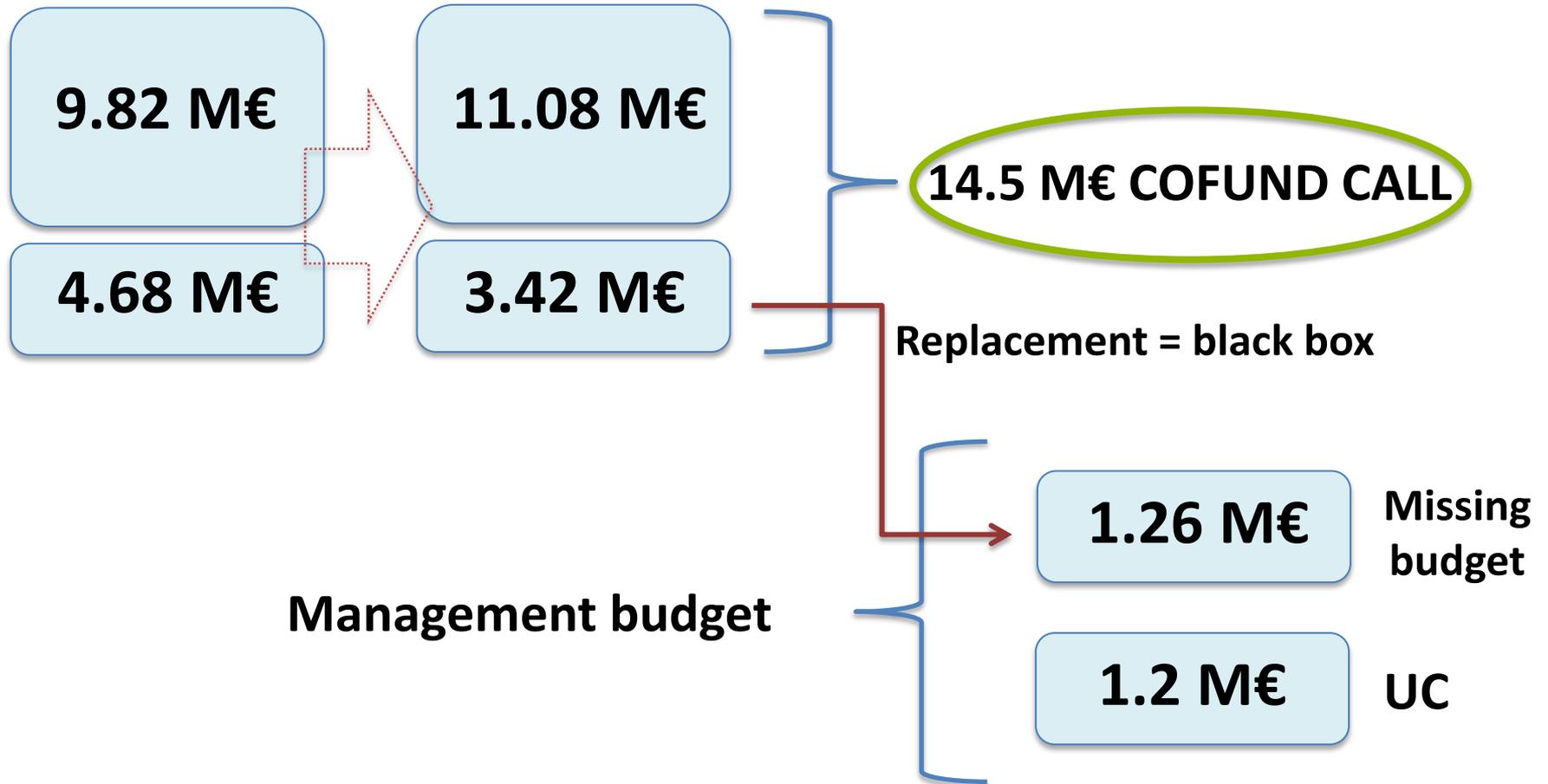
TO REMEMBER:

- In case of E-Rare-3 ALL partners should be able to justify 5 years of additional activities as this is the only way to receive max. contribution for the UC from the EC
- In case « option » is chosen: some partners will perceive more than they real costs (of involvement in additional activities) and other not enough



E-Rare-3 budget

Management costs – use of black box



The total EC contribution does not change

MS put more money in the call and can use EC contribution for management costs





ERA-NET Co-fund: management budget in E-Rare 3

- If you do not opt for simple distribution of Unit Costs and plan to use the “black box” to finance your management costs then you must be prepared for **double accountability** implementation
 - Your DoA budget table will be different from the one reflecting the real share of cost → *make sure that your accountant & legals understand the scheme*
 - The coordination will be responsible for the internal financial reporting



- Followed the FP7 model that allows detailed repartition of budget costs per WP, per beneficiary and type of activity
- Based on:
 - Direct personnel costs (without overheads)
 - Standard numbers of PM per activity
 - Estimated costs for the organization of the workshops/meetings, etc. (≈ Call secretariat 9 PM; WPL 4 PM; TL 1 PM; event organization 2 PM; standard contribution 0.5 PM/year)
- **Be prepared for annual adjustments!**



ERA-NET Co-fund: management budget in E-Rare 3

Erare-3 Budget	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	TOTAL	
	FR	DE	DE	SP	BE	BE	IL	IT	IT	IT	NL	TR	PT	AT	GR	HU	RO	PL	LV	DE		
Partner																						
PM rate indicated by partner																						
Travels	15 000	15 000	15 000	15 000	15 000	5 000	20 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	295 000,00
WP1 - Management	48,0	3,0									3,0											54,00
WP2 - WP3 Co-Funded call	1,0	12,0	1,5	1,0	1,0		1,0		1,0	1,0	1,0	1,0	1,0	1,0		1,0	1,0	1,0	1,0	1,0		28,50
WP4 - Monitoring Co Funded Call					6,5									1,5			1,0					9,00
WP5- dissemin Co Funded call	2,5						4,0	1,5		0,5												8,50
WP6 - Additional JTCs	9,0	1,5	1,0	9,0	1,5		1,5	1,0	1,5	1,5	9,0	1,5	1,5	1,5	1,5	1,5	1,5	1,5	1,5	1,5	1,5	50,00
WP7 - monitoring non-funded projects					1,5								6,0									7,50
WP8 - IRDIRC-sustainability	7,0	3,0		0,5				2,5		2,0	4,5				1,0		1,0					21,50
WP9 - dissemination	7,0						1,5	6,0		1,0						2,5	1,0					19,00
Basic participation	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	2,5	3,0	2,5	2,5	2,5	2,5	2,5	2,5	2,5	50,50
Total efforts	77,0	22,0	5,0	13,0	13,0	2,5	10,5	13,5	5,0	8,5	20,0	5,0	12,5	5,5	5,0	7,5	8,0	5,0	5,0	5,0	5,0	248,50
Personnel costs	385 000	178 684	54 360	65 000	97 786	15 425	42 000	87 750	50 000	46 750	180 000	16 250	45 000	49 572	20 000	33 375	47 872	15 000	22 500	32 915	1 485 238,50	
Subcontracting Website	15 000																					15 000,00
Participation Eurordis	40 000																					40 000,00
Scientific Meetings*2	100 000							20 000														120 000,00
Other dissemination tools	5 000						2 000															7 000,00
Scientific Evaluation Committee meetings	50 000	50 000		50 000							50 000											200 000,00
NSC meetings *15	45 000																					
Workshop *3	45 000																					45 000,00
Travel costs for associated partners	50 000																					50 000,00
Total Other direct costs	335 000	50 000	-	50 000	-	-	2 000	20 000	-	-	50 000	-	462 000,00									
Indirect costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL budget	750 000	243 684	69 360	130 000	112 786	20 425	64 000	122 750	65 000	61 750	245 000	31 250	60 000	64 572	35 000	48 375	62 872	30 000	37 500	47 915	2 257 238,50	

Personnel costs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	TOTAL	
	ANR	DLR	BMBF	ISCIH	F.R.S.-FNRS	FWO	CSO/MOH	ISS	MoH	ASSR	ZonMw	TUBITAK	FCT	FWF	GSRT	OTKA	UEFISCDI	NCBR	LAS	DFG		
WP1 - Management	240 000	24 366	-	-	-	-	-	-	-	-	27 000	-	-	-	-	-	-	-	-	-	-	291 366,00
WP2 - WP3 Co-Funded call	5 000	97 464	16 308	5 000	7 522	-	4 000	-	10 000	5 500	9 000	3 250	3 600	9 013	-	4 450	5 984	3 000	4 500	6 583	-	200 174,00
WP4 - Monitoring Co Funded Call	-	-	-	-	48 893	-	-	-	-	-	-	-	5 400	-	-	-	5 984	-	-	-	-	60 277,00
WP5- dissemin Co Funded call	12 500	-	-	-	-	-	16 000	9 750	-	2 750	-	-	-	-	-	-	-	-	-	-	-	41 000,00
WP6 - Additional JTCs	45 000	12 183	10 872	45 000	11 283	-	6 000	6 500	15 000	8 250	81 000	4 875	5 400	13 520	6 000	6 675	8 976	4 500	6 750	9 875	-	307 658,00
WP7 - monitoring non-funded projects	-	-	-	-	11 283	-	-	-	-	-	-	-	21 600	-	-	-	-	-	-	-	-	32 883,00
WP8 - IRDIRC-sustainability	35 000	24 366	-	2 500	-	-	-	16 250	-	11 000	40 500	-	-	-	4 000	-	5 984	-	-	-	-	139 600,00
WP9 - dissemination	35 000	-	-	-	-	-	6 000	39 000	-	5 500	-	-	-	-	-	11 125	5 984	-	-	-	-	102 609,00
Basic participation	12 500	20 305	27 180	12 500	18 805	15 425	10 000	16 250	25 000	13 750	22 500	8 125	9 000	27 039	10 000	11 125	14 960	7 500	11 250	16 458	-	309 671,50
TOTAL	385 000	178 684	54 360	65 000	97 786	15 425	42 000	87 750	50 000	46 750	180 000	16 250	45 000	49 572	20 000	33 375	47 872	15 000	22 500	32 915	1 485 238,50	



ERA-NET Co-fund: management budget

Summary:

- Be inclusive in share of responsibilities and highlight your partners
 - If you want to maximise and optimise the use of Unit Costs make sure that the additional activities involve ALL partners and that they start already in year 1
 - Organisation of the joint transnational calls can be shared between several partners (typically organisation of evaluation meetings) but should not hamper the quality of evaluation

- Mutualisation of Unit Costs (as common pot) and use of black box to cover the management costs demands additional accountability and must be rigorous

- In order to manage the budget of the consortium the role of 'financial controller' is overtaken by the Coordination!
 - Distribution of EC contribution
 - Yearly financial internal reports (for optimal reporting to the EC)



Risk Assessment



Risk assessment

Elements to take into account when planning your management budget distribution:

- Partner falls out and respective Unit Costs cannot be recovered → *may happen especially for partners with limited responsibilities in the project activities*
- (Re)distribution of planned activities or due to the unavailability of a partner → *remember that despite the fact that beneficiaries are institutions the activities are done by people!*
- If you are using the black box:
 - Make sure that all partner have the same understanding of starting and end dates of funded projects AND the procedures of project extension are harmonized! → any uncontrolled research project prolongation (also for partners not eligible for funding but involved in the cofund call) may put in danger the final budget spending related to the cofunded call
 - Make sure that all researchers are informed specific rules for the cofunded call → put these in the contracts
 - Evaluate the non-spending rate and keep the relevant budget aside



Consortium Agreement



ERA-Net cofund: Consortium Agreement

CONSORTIUM AGREEMENT is complementary to GA and should include ALL elements that are not specified in the GA:

- Governance structure and decision making process, international partners
- Financial provisions: the management budget repartition in detail (business plan as annex) → BUT keep flexibility
- Call implementation, selection process and rules to be established in research contracts
- Agree that the management budget is ensured first and then the rest of the EC contribution is redistributed
- Agree on rules of repartition of EC contribution (direct provisions and gap filling, min. and max. percentage allowed) → BUT keep flexibility (The rules may undergo changed in case of detrimental situation = possible EC contribution decreased for at least 20%)
- Scenarios of redistribution/in kind contribution/changes in the programme of the project in case of “detrimental situation” (plot your risk assessment and make sure all elements are covered in the CA)



THANK YOU



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