

# **ERA-NET Cofund in practice: Financial Aspects, Consortium Agreement, Additional A An overview and practical examples**

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## ❖ Financial Aspects - Basics

- ❖ general aspects
- ❖ eligible costs and funding
- ❖ Use of EC contribution
- ❖ Timing

## ❖ Implementation costs

## ❖ Selection list & distribution of the EC contribution

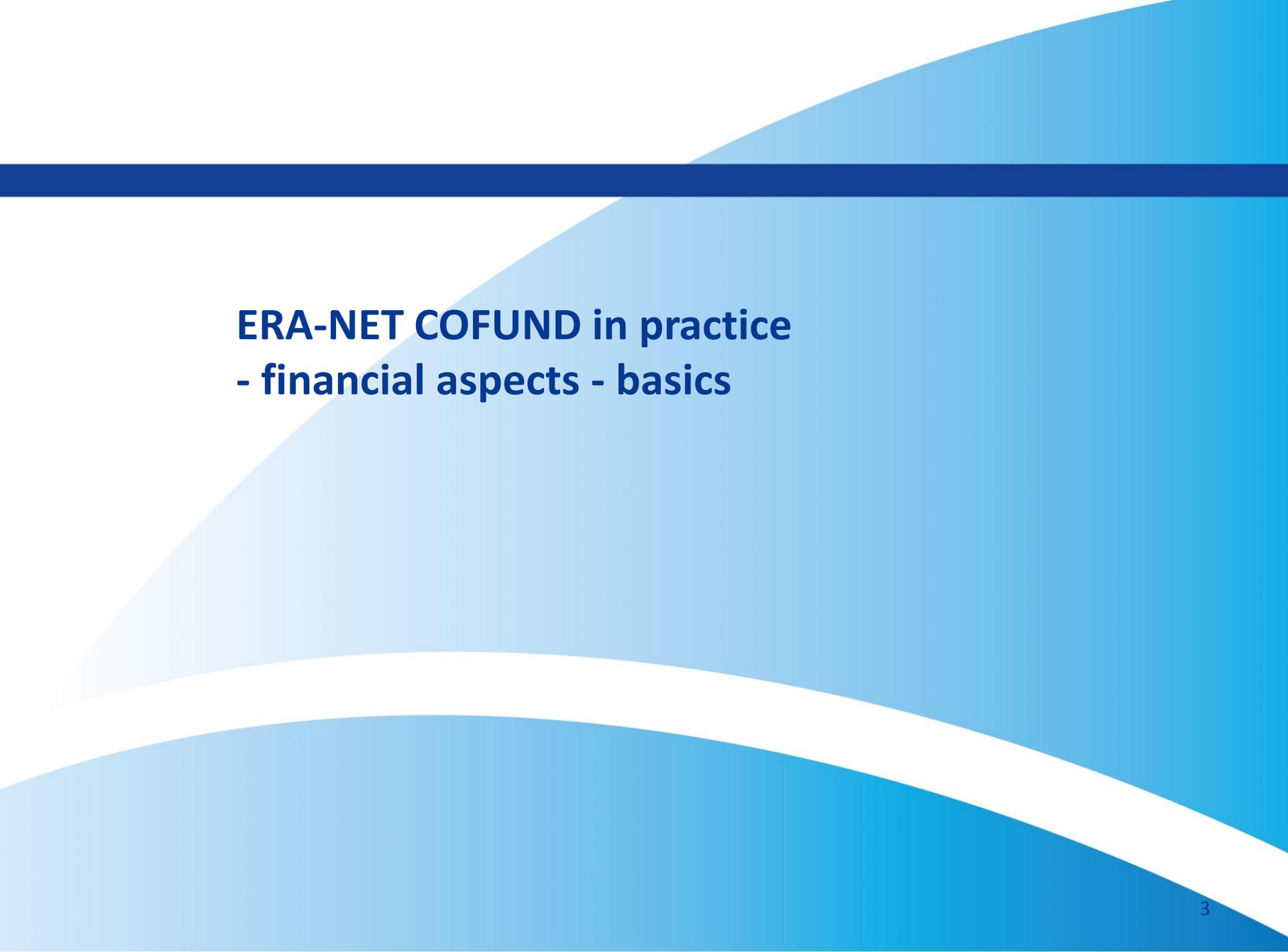
## ❖ Consortium Agreement

- ❖ overview
- ❖ paragraph concerning insufficient financial EC contribution / Call implementation

## ❖ Additional Activities – Unit Costs

- ❖ examples
- ❖ Unit Costs calculation
- ❖ reporting

## ❖ Summary



**ERA-NET COFUND in practice**  
**- financial aspects - basics**

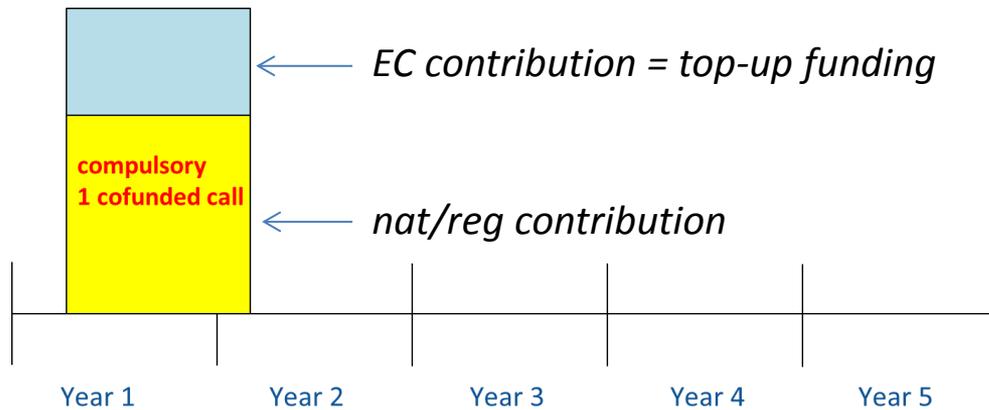
# ERA-NET COFUND

## general financial aspects (1)

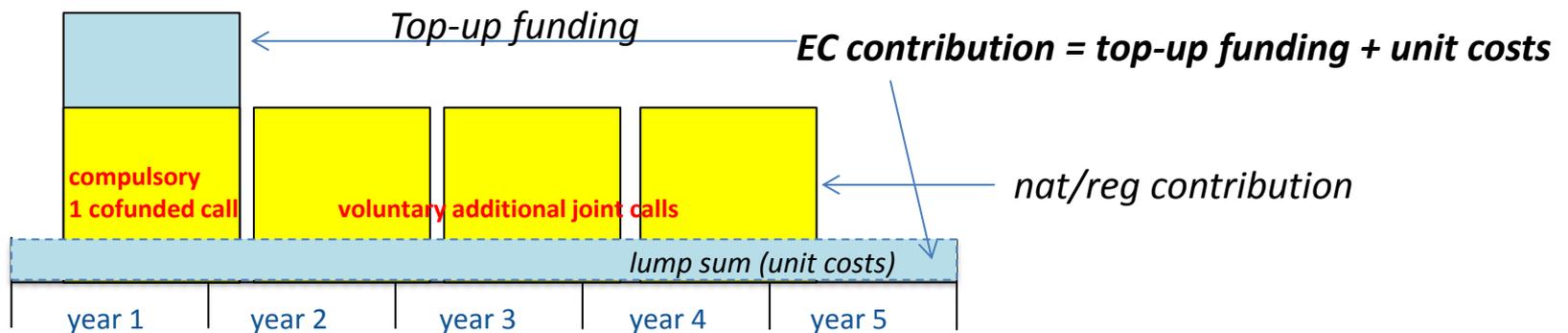
- ❖ ERA-NET COFUND has the **central and compulsory element of implementing one substantial joint call with EC top-up funding (cofunded call)**.
- ❖ In addition to the 1 cofunded call there is the possibility to implement **additional joint activities** (other joint calls, events etc.) which are fixed in the grant agreement.
- ❖ The **financial contributions** of Member States can be **in-cash or in-kind contributions**. **This overview is focusing on the cash-based COFUNDS.**

# ERA-NET COFUND general financial aspects (3)

## Option 1: 1 cofunded call only , no other activities during 5 years



## Option 2: 1 cofunded call + other joint activities (e.g. other joint calls)



# ERA-NET COFUND

## eligible costs and EC contribution(1)

- ❖ The EC contribution is calculated on the basis of the eligible costs.
- ❖ There are **3 types of eligible costs**:
  - a) direct costs related to transnational projects;
  - b) direct coordination costs for of additional activities;
  - c) indirect costs.

a) = the **total funding transferred to the transnational projects** funded in the cofunded call

b) = a lump sum of **29.000 € per beneficiary per year** (so-called Unit Costs) if a beneficiary is involved in additional activities

c) = a **flat rate of 25%** on top of the Unit Costs b)

# ERA-NET-COFUND

## eligible costs and EC contribution (2)

The EC contribution is **max. 33% (or less!)** of the total eligible costs.

❖ Example without additional activities:

Beneficiary	Direct costs of providing financial support to third parties related to transnational projects	Total eligible costs	Reimbursement rate	EC contribution
1	2.000.000	2.000.000	33%	660.000
2	2.000.000	2.000.000	33%	660.000
3	2.000.000	2.000.000	33%	660.000
4	2.000.000	2.000.000	33%	660.000
5	2.000.000	2.000.000	33%	660.000
<b>Total</b>	<b>10.000.000</b>	<b>10.000.000</b>		<b>3.300.000</b>

❖ Example with additional activities:

Beneficiary	Direct costs of providing financial support to third parties related to transnational projects	Units (ie. years)	Total Unit Costs	Indirect costs	Total eligible costs	Reimbursement rate	EC contribution
1	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
2	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
3	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
4	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
5	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
<b>Total</b>	<b>10.000.000</b>	<b>25</b>	<b>725.000</b>	<b>181.250</b>	<b>10.906.250</b>		<b>3.599.063</b>

# ERA-NET-COFUND

## Calculation of EC contribution (2)

Some third countries (high-income countries) can participate but their commitments are not considered for calculating the EC contribution<sup>1</sup>. Structural funds (ESIF) as well as loans are also not eligible for EC top-up funding. Example:

national commitment AUSTRIA ( <i>EU member</i> )	1.340.000 €
regional commitment BELGIUM-WALLONIA ( <i>EU member</i> )	1.340.000 €
national commitment FRANCE ( <i>EU member</i> )	1.340.000 €
national commitment SOUTH AFRICA ( <i>third country eligible for EC funding</i> )	1.340.000 €
regional commitment ( <i>struct.funds</i> ) REGIONE CALABRIA ( <i>EU member but uses ESIF</i> )	1.000.000 €
national commitment CHINA ( <i>third country not eligible for EC funding</i> )	1.000.000 €
national commitment TURKEY ( <i>H2020 associated state</i> )	1.340.000 €
national commitment USA ( <i>third country not eligible for EC funding</i> )	1.000.000 €
<b>→ total national/regional commitments</b>	<b>9.700.000 €</b>
<b>but: total funding EU members + associated states + elig. 3<sup>rd</sup> countr.</b>	<b>6.700.000 € (=67%)</b>
<b>→ max. EC contribution (based on EU MS + AS + elig. 3<sup>rd</sup> c.)</b>	<b>3.300.000 € (=33%)</b>
<b>Total contributions EU MS + AS + elig. 3<sup>rd</sup> c. + EC top-up</b>	<b>10.000.000 € (=100%)</b>
<b>Total call budget</b>	<b>13.000.000 €</b>

→ to receive an EC contribution of 3.3 M€ the national/regional committed funding from EU members + associated states + eligible third countries must be at least 6.7 M€.

<sup>1</sup>Eligible for funding: [http://ec.europa.eu/research/participants/data/ref/h2020/other/wp/2018-2020/annexes/h2020-wp1820-annex-ga\\_en.pdf](http://ec.europa.eu/research/participants/data/ref/h2020/other/wp/2018-2020/annexes/h2020-wp1820-annex-ga_en.pdf)

# ERA-NET COFUND

## Use of EC contribution (1)

- ❖ The calculation of the EC contribution is always based on the eligible costs but **the actual use of the EC contribution is up to the consortium.**
- ❖ The **practical terms of using the EC contribution - often called “black box”**– are defined in the Consortium Agreement.
- ❖ The maximum EC contribution **cannot exceed** the absolute amount defined in the Grant Agreement and **cannot exceed 33%** but it **can actually become less than 33%** depending on the real national/regional contributions.
- ❖ The consortium can decide to **use part of the EC contribution to cover the implementation cost** of the ERA-NET COFUND; in this case the EC funding rate related to transnational projects will decrease correspondingly; the gap has to be filled with additional national/regional project funding.

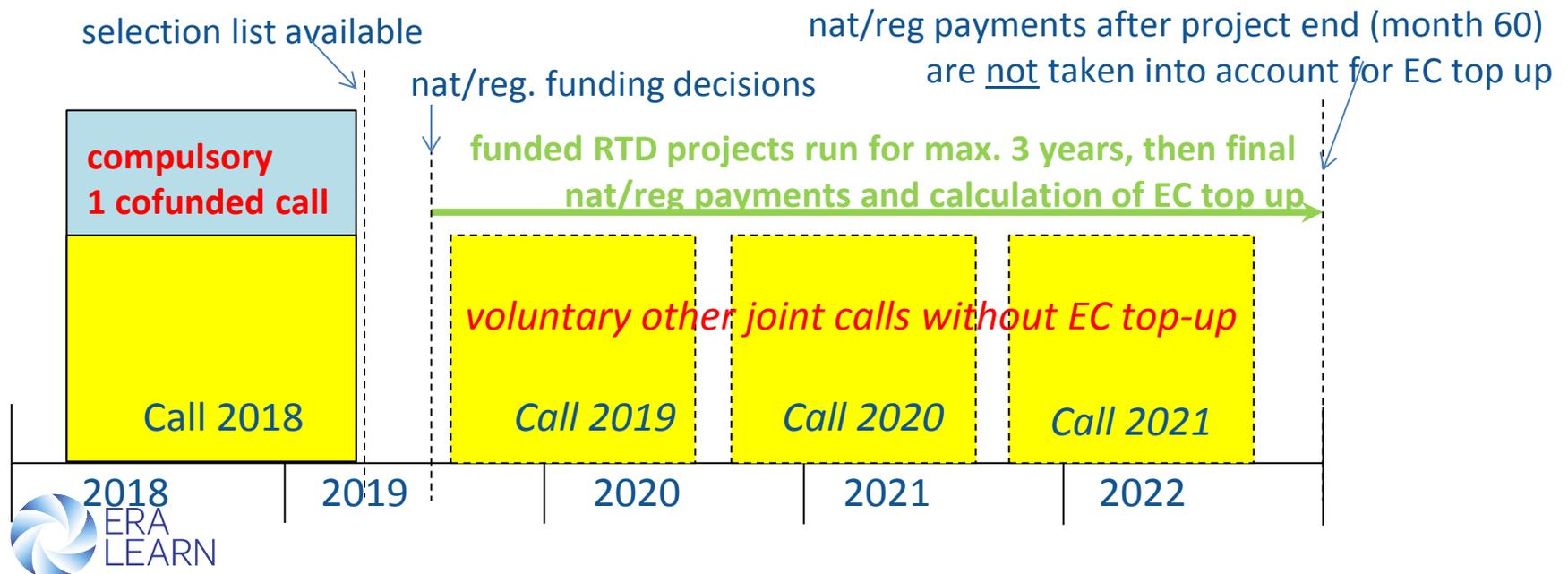
# ERA-NET COFUND Timing

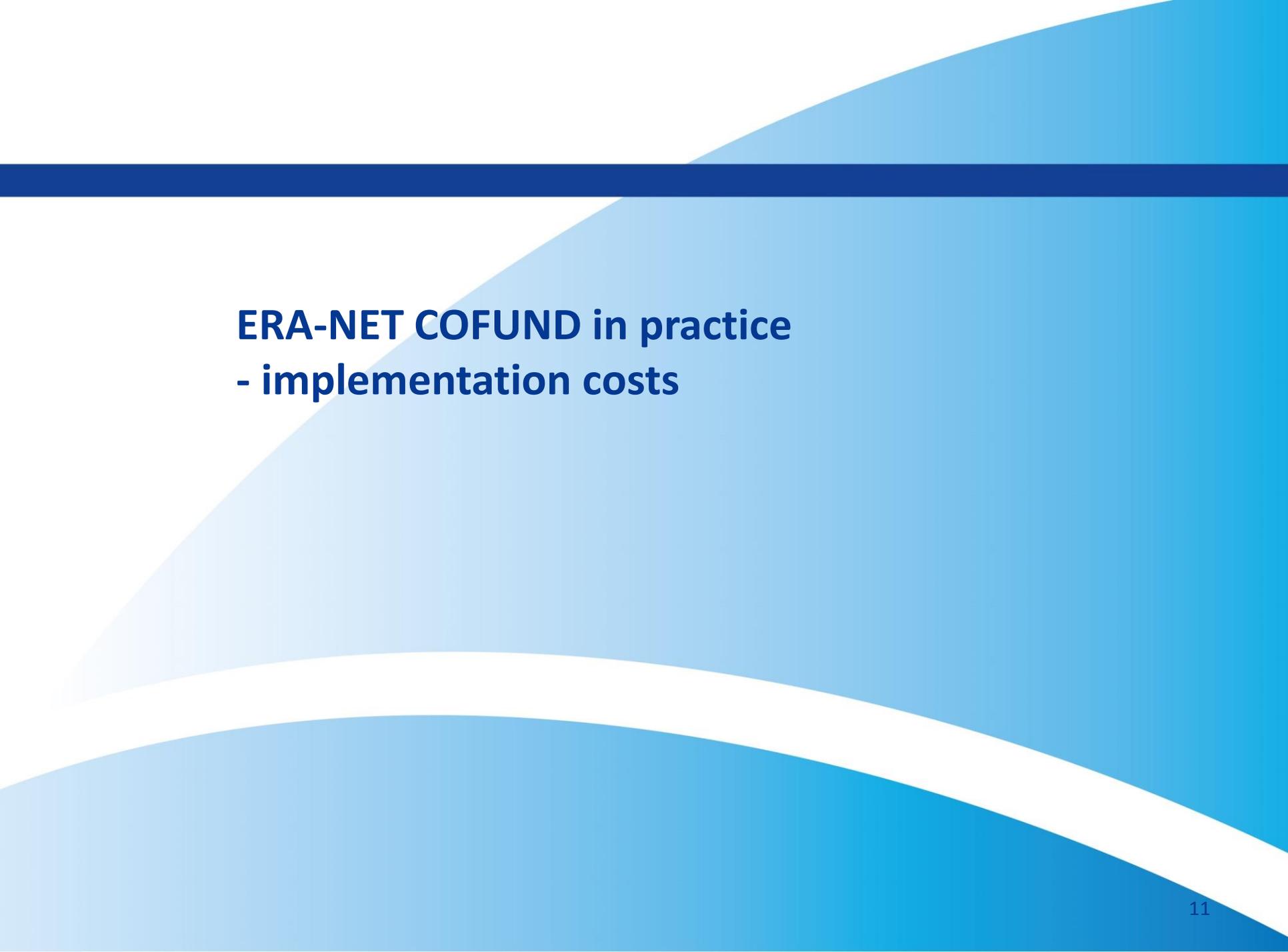
facts:

- ❖ (preliminary) nat./reg. commitments are due at the time of H2020 proposal submission
- ❖ total duration ERA-NET COFUND 60 months
- ❖ RTD projects funded from the cofunded call **must be completely paid before month 60**

Recommendations for the 1 cofunded call:

- funding decisions not later than month 18
- selection list not later than month 15
- call launch not later than month 3





**ERA-NET COFUND in practice  
- implementation costs**

# ERA-NET COFUND Implementation Costs

- ❖ It is up to the consortium to agree on how to cover the implementation costs
- ❖ ERA-LEARN identified in a study 4 main options which are in use by the existing ERA-NET COFUND networks
- ❖ These 4 options are included in the template for an ERA-NET COFUND Consortium Agreement
- ❖ In the following slides these 4 options are presented in detail.

## Implementation Costs (and use of EC funding)

### Overview:

#### 4 main options have been identified/applied by consortia:

- ❖ **Option 1:** Only a defined group of parties may claim implementation costs. The EC contribution for Unit costs and the related indirect costs will be paid to each of the parties according to their involvement in additional activities.
- ❖ **Option 2:** Actual costs of each party are calculated. These costs are subtracted from the EC contribution .
- ❖ **Option 3:** Each of the parties contributes with its Unit Costs and a specific additional agreed budget to the implementation costs
- ❖ **Option 4:** Implementation costs are covered with the EC contribution (Unit costs and EU-Top-up), travel/subsistence budget is foreseen for attending network meetings; reserve fund for additional activities

# ERA-NET COFUND

## Implementation Costs:

### ❖ Example Option: Eligible costs

Beneficiary	Total funding for the Trans-national Projects	Units	Unit Costs in Total	Indirect Costs	Total Eligible Costs	EC Funding Rate	EC Funding
1	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
2	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
3	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
4	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
5	2.000.000	5	145.000	36.250	2.181.250	33%	719.813
<b>Total</b>	<b>10.000.000</b>	<b>25</b>	<b>725.000</b>	<b>181.250</b>	<b>10.906.250</b>		<b>3.599.063</b>

# ERA-NET COFUND

## Implementation Costs

### Option 2 (1)

- ❖ Option 2: Actual costs of each party are calculated. These costs are subtracted from the EC contribution.

#### ❖ Example Option 2: Use of funding – Black box

Beneficiary	Personal Costs	Travel Costs	Other Costs	Total
1	190.000	20.000	50.000	260.000
2	129.000	20.000		149.000
3	240.000	50.000	20.063	310.063
4	180.000	20.000		200.000
5	130.000	20.000	30.000	180.000
<b>Total</b>	<b>869.000</b>	<b>130.000</b>	<b>100.063</b>	<b>1.099.063</b>
	<b>EC funding left for transnational projects</b>			<b>2.500.000</b>

- From the total EC funding (3.599.063 €) 1.099.063 € are taken to cover the implementation costs.
- Unit cost funding (299.063 €) is not transferred to the beneficiaries separately – the cost calculation is based on real expenditures
- The remaining 2.500.000 € of the EC funding is used for transnational projects

# ERA-NET COFUND

## Implementation Costs

Option 2 (2)

### ❖ Advantages:

- ❖ Implementation costs are calculated as real cost (similar to CSA in FP7)
- ❖ Differences in salaries can be covered in a realistic way; no over- or under-payment.
- ❖ Each beneficiary is reimbursed according to its efforts

### ❖ Disadvantages:

- ❖ There might be insufficient financial contribution when a beneficiary has to revoke or a transnational project fails etc. similar to option 1
- ❖ The real expenses are only available at the end of the project meaning that the budget available for transnational projects is unclear – this might result in insufficient financial contribution for the beneficiaries:

Calculation					Cost reported at the end of the Cofund Action				
Beneficiary	Personal Costs	Travel Costs	Other Costs	Total	Beneficiary	Personal Cos	Travel Costs	Other Costs	Total
1	190.000	20.000	50.000	260.000	1	195.000	20.000	50.000	265.000
2	129.000	20.000		149.000	2	129.000	20.000		149.000
3	240.000	50.000	20.063	310.063	3	240.000	50.000	20.063	310.063
4	180.000	20.000		200.000	4	340.000	20.000		360.000
5	130.000	20.000	30.000	180.000	5	130.000	23.000	30.000	183.000
<b>Total</b>	<b>869.000</b>	<b>130.000</b>	<b>100.063</b>	<b>1.099.063</b>	<b>Total</b>	<b>1.034.000</b>	<b>133.000</b>	<b>100.063</b>	<b>1.267.063</b>
<b>EC funding left for transnational projects</b>				<b>2.500.000</b>	<b>EC funding left for transnational project</b>				<b>2.500.000</b>
<b>Total EC funding needed</b>				<b>3599063</b>	<b>Total EC funding needed</b>				<b>3.767.063</b>
					<b>Difference</b>				<b>- 168.000</b>

# ERA-NET COFUND

## Implementation Costs:

### Option 1

- ❖ Option 1: Only a defined group of parties may claim implementation costs. The EC contribution for Unit costs and the related indirect costs will be paid to each of the parties according to their involvement in additional activities.
- ❖ Example Option 1: Use of funding – Black box

Beneficiary	Implementation costs	Unit costs funding	Total Amount of EC contribution for Beneficiary
1	200.000	59.813	259.813
2		59.813	59.813
3	100.000	59.813	159.813
4		59.813	59.813
5	500.000	59.813	559.813
<b>Total</b>	<b>800.000</b>	<b>299.063</b>	<b>1.099.063</b>
	<b>EC funding left for transnational projects</b>		<b>2.500.000</b>

- From the total EC funding (3.599.063 €) 800.000 € are taken to cover the implementation costs.
- Unit cost funding is transferred to each beneficiary as foreseen (299.063 €).
- The remaining 2.500.000 € of the EC funding is used for transnational projects.

# ERA-NET COFUND

## Implementation Costs

### Option 3 (2)

- ❖ Option 3: Each of the parties contributes with its Unit Costs and a specific additional agreed budget to the implementation costs
- ❖ Example Option 3: Use of funding – Black box

Beneficiary	Unit costs funding	Share of Implementation costs	Payment
1	59.813	219.813	160.000
2	59.813	219.813	160.000
3	59.813	219.813	160.000
4	59.813	219.813	160.000
5	59.813	219.813	160.000
<b>Total</b>	<b>299.063</b>	<b>1.099.063</b>	<b>800.000</b>

- ❖ Unit cost funding are seen as part of the payment of each beneficiary for the implementation cost – 299.063 EURO
- ❖ From the total EC funding (3.599.063 EURO) 3.300.000 € is used for the transnational projects



# ERA-NET COFUND

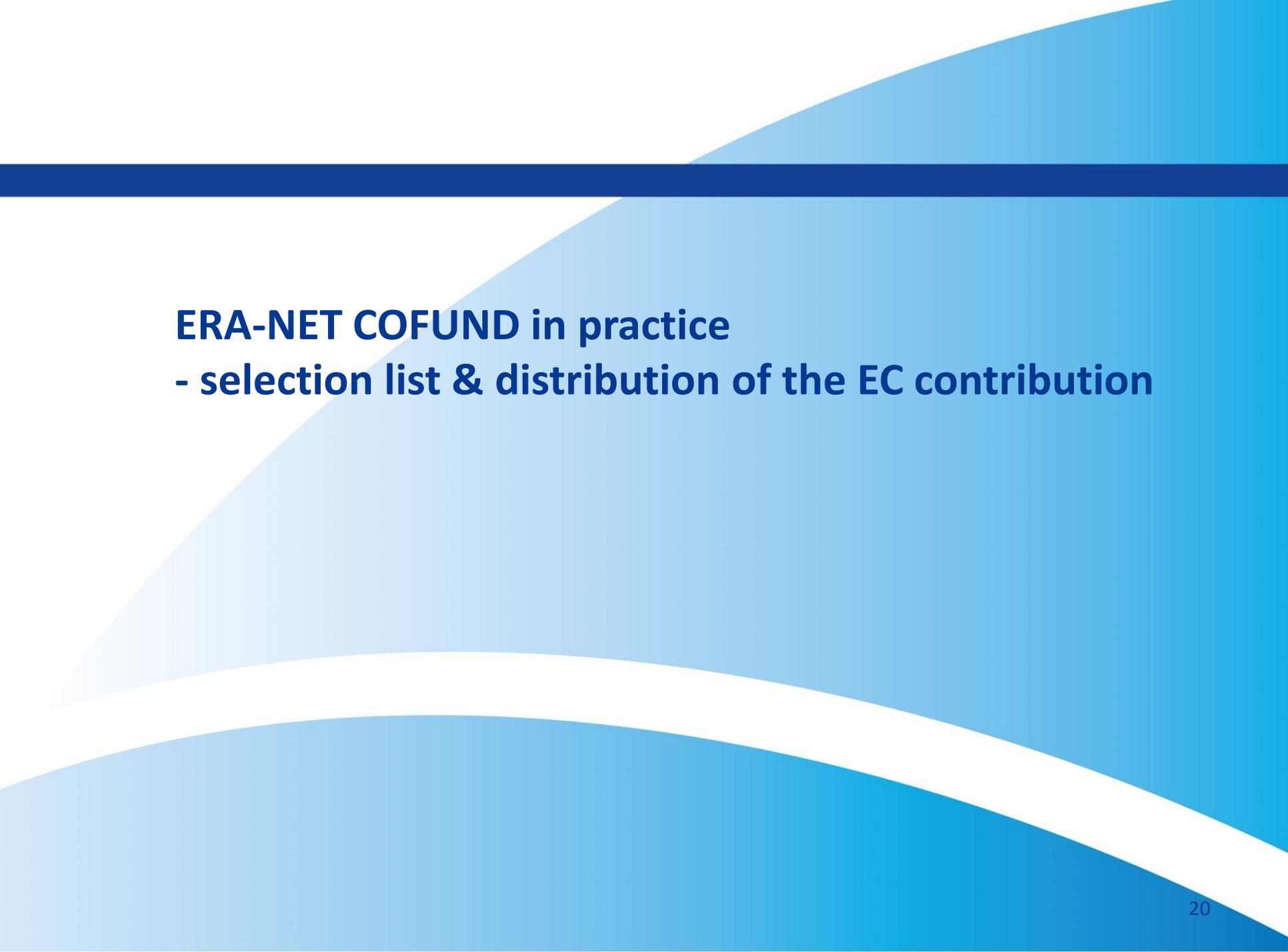
## Implementation Costs

### Option 4 (2)

- ❖ Example Option 4: Implementation costs are covered by EC contribution (Unit costs and EU-Top-up funding), travel/subsistence budget is foreseen for attending network meetings; reserve fund for additional activities
- ❖ Example Option 4: Use of funding – Black box

Beneficiary	Implementation Costs	Travel Costs	Total
1	200.000	20.000	220.000
2		20.000	20.000
3	100.000	50.000	150.000
4		20.000	20.000
5	500.000	20.000	520.000
<b>Total</b>	<b>800.000</b>	<b>130.000</b>	<b>930.000</b>
	Reserve fund for additional activities		169.063
	Total implementation Costs		1.099.063
<b>EC funding left for transnational projects</b>			<b>2.500.000</b>
Total EC funding needed			3.599.063

- From the total EC funding (3.599.063 €) 1.099.063€ are taken to cover the implementation cost
- Unit cost funding (299.063 €) is not transferred to the beneficiaries separately instead of that travel costs are calculated for each partner and a reserve fund for additional activities is created.
- The remaining 2.500.000 € of the EC funding is used for transnational projects



**ERA-NET COFUND in practice**  
**- selection list & distribution of the EC contribution**

## selection list & distribution of EC contribution

- ❖ **the selection list is the key issue for financial management; the EC contribution (top-up + unit costs) is tied to the selection list**
- ❖ EC Rule: Proposals must be ranked according to the evaluation results; the selection must be made on the basis of this ranking.
- ❖ **When agreeing on the selection list & the final distribution of the EC contribution the following should be considered:**
  - ❖ **eligibility for top-up is generated by spending nat/reg funding**
  - ❖ the longer the list of funded projects the higher the EC contribution
  - ❖ not all nat/reg contributions qualify for top-up calculation
  - ❖ unit costs = max 20% of total EC contribution
  - ❖ network implementation costs to be funded through unit costs and/or top-up funding
  - ❖ need for the certificate of a financial statement (audit)
  - ❖ the consortium agrees on the most suitable funding mode to achieve a satisfactory selection list and distribution of EC contribution
  - ❖ **ERA-LEARN support for establishing the selection list & for calculating the distribution of the EC contribution is available:**  
<https://www.era-learn.eu/support-for-p2ps/era-net-cofund/era-net-cofund-under-h2020-practical-information/implementing-an-era-net-cofund-action>

# ERA-NET COFUND EC top-up calculation

- ❖ The co-funded call is topped up with EC contribution.
- ❖ The EC funding rate for ERA-NET COFUND is up to 33%.
- ❖ Example:

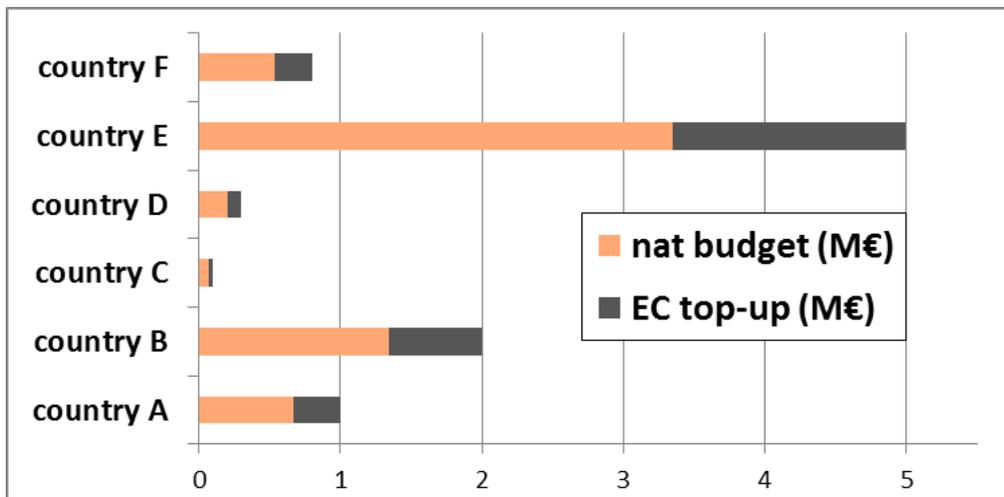
Beneficiary	Direct costs of providing financial support to third parties related to transnational projects	Total eligible costs	Reimbursement rate	EC contribution
1	2.000.000	2.000.000	33%	660.000
2	2.000.000	2.000.000	33%	660.000
3	2.000.000	2.000.000	33%	660.000
4	2.000.000	2.000.000	33%	660.000
5	2.000.000	2.000.000	33%	660.000
<b>Total</b>	<b>10.000.000</b>	<b>10.000.000</b>		<b>3.300.000</b>

to receive an EC contribution of 3.3 M€ the national/regional committed funding from EU members + associated states must be at least 6.7 M€.

# ERA-NET Cofund – distribution of EC top-up (I)

- ❖ **EC rule:** It is up to the consortium to decide how the EC top-up to the cofunded call is distributed.

**Option 1:** 100% of the EC top-up is used as a **VIRTUAL common pot** all nat/reg budgets are topped-up by the same factor

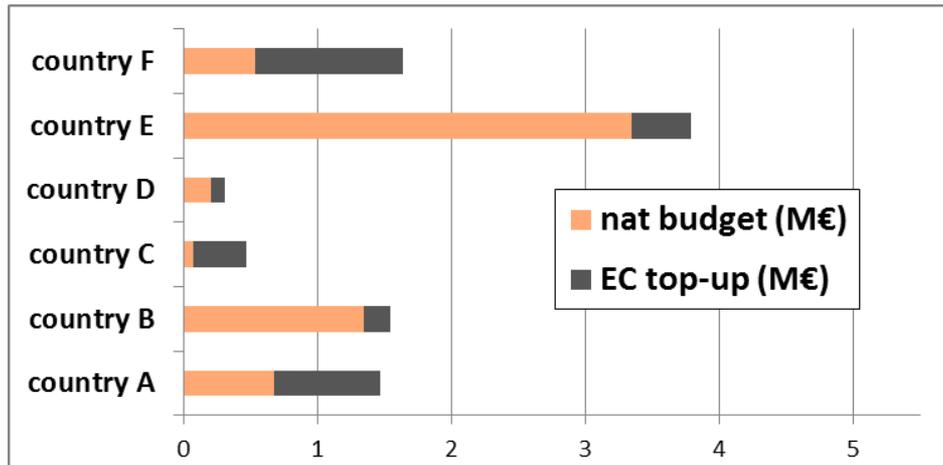


+ : fixed return

- : small budgets will still be small budgets even with EC top up → these are risks in the ranking list.

# ERA-NET Cofund - distribution of EC top-up (II)

**Option 2:** 100% of the EC top-up is used as a **REAL common pot**  
the entire EC top-up is used to fill gaps in the ranking list, no matter which countries



+ : most effective gap filling mechanism

- : the resulting individual nat/reg top-up factors cannot be predicted and will range from 0% to any upper limit → some partners might regard that unfair

# ERA-NET Cofund

## - distribution of EC top-up (III)

### Option 3: mixed mode

the EC top-up is used both as a virtual and as a real common pot

+ fixed return AND gap filling

- if the gap filling percentage is low the flexibility is reduced tremendously

### Examples:

80% of EC contribution is used to top-up nat/reg budgets by a constant factor (virtual common pot)	20% of EC contribution is used to fill gaps (real common pot)
65% of EC contribution is used to top-up nat/reg budgets by a constant factor (virtual common pot)	35% of EC contribution is used to fill gaps (real common pot)
25% virtual common pot	75% of EC contribution is used to fill gaps (real common pot)

# ERA-NET Cofund - distribution of EC top-up (IV)

→ the consortium **decides which proportion is likely to deliver the most convenient result** (=max. number of funded proposals AND fixed return)

○ a helpful tool for this calculation can be found here:

[https://www.era-learn.eu/documents/ec\\_top\\_up\\_distribution.xlsx](https://www.era-learn.eu/documents/ec_top_up_distribution.xlsx)

### ERA-NET COFUND networks usually apply 2 funding modes to distribute EC Top-Up:

#### Mixed Mode

- used by the majority of ERA-NET Co-fund networks
- a certain percentage of the EU Top-up is put into a “balancing pot”; this percentage is usually in the range of 30-50%
- the rest is allocated to funding organisations in agreed fixed percentage
- some networks even increased the budget for balancing purposes to fund as many projects as possible from the ranking list

#### Real Common pot

- used by some ERA-NET Co-fund networks
- no fixed individual return rate

# ERA-NET Cofund: avoid gaps in ranking list (I)

- In the EC-cofunded call the ranking list must be strictly followed :  
**EC rule: „Proposals must be ranked according to the evaluation results.  
The selection must be made on the basis of this ranking”**
- the evaluation of the cofunded call must result in a ranking list which is 100% accepted among the call partners. Gaps in the selection list must be avoided.
- eliminate all proposals that have no chance for funding already in the pre-proposal phase
- commit sufficient national/regional budgets to the call: funding must be balancing the nat/reg funding requests

# ERA-NET Cofund: avoid gaps in ranking list (II)

## To avoid an unbalanced oversubscription:

- plan the call carefully: ensure appropriate national/regional budgets from the beginning
- The likely demand of the respective research community can be estimated based on former calls or similar activities.
- think about rules for applicants to limit their number of participations
- Limit the number of proposals to be invited to the full proposal stage (approx. 2-3.5 times the respective national/regional budget)
- Increase the national/regional budget after the pre-proposal phase





# ERA-LEARN support

## for establishing selection list & distribution of EC contribution

### 3) agree on mixed mode details and identify number of funded projects

Nr	proposal	Proposal ac	total req	Evaluation sc	Need of EC Fundin	Eligible Total for	TOP UP	Max Top Up in Grant Agreement for call	10,000,000												
									Agency 1	Agency 2	Agency 3	Agency 4	Agency 5	Agency 6	Agency 7	Agency 8	Agency 9	Agency 10	Agency 11		
of EC top-up is used for Gap Filling (50%) of the network activities (implementation costs) 500.000									Max Top Up in Grant Agreement for call 10,000,000												
If cells in column "I" turn RED there is no EC-funding available anymore.																					
1	A1	Test Project 1	838394	13,5	138.335	838.394	276.670	-361.665	0	58.104	0	0	0	0	0	0	0	0	0	0	0
2	A2	Test Project 2	660000	13,5	247.235	1.498.394	494.470	-252.765	0	58.104	0	0	0	0	0	0	0	0	0	0	0
3	A3	Test Project 3	645000	13,5	353.660	2.143.394	707.320	-146.340	0	58.104	0	0	0	0	0	0	0	0	0	0	0
4	A4	Test Project 4	1520920	13	604.612	3.664.314	1.209.224	104.612	0	11.085	0	0	0	0	0	192.971	0	0	0	0	0
5	A5	Test Project 5	377125	13	659.825	3.998.939	1.319.650	159.825	0	5.085	0	0	0	0	0	192.971	0	0	0	0	0
6	A6	Test Project 6	648500	13	742.077	4.497.439	1.484.155	242.077	0	16.085	0	0	0	0	0	192.971	0	0	0	0	0
7	A7	Test Project 7	376762	13	804.243	4.874.201	1.608.486	304.243	0	116.085	0	0	0	0	0	192.971	0	0	0	0	0
8	A8	Test Project 8	515428	12,5	889.289	5.389.629	1.778.578	389.289	0	116.085	0	0	0	0	0	192.971	0	0	0	0	23.274
9	A9	Test Project 9	900000	12,5	1.037.789	6.289.629	2.075.578	537.789	0	116.085	0	0	0	0	0	192.971	0	0	0	0	23.274
10	A10	Test Project 10	1158765	12,5	1.228.985	7.448.394	2.457.970	728.985	0	116.085	0	0	0	0	0	192.971	0	0	0	0	47.860
11	A11	Test Project 11	571260	12,5	1.323.243	8.019.654	2.646.486	823.243	0	116.085	0	0	0	0	0	192.971	0	0	0	0	64.360
12	A12	Test Project 12	815000	12,5	1.457.718	8.834.654	2.915.436	957.718	0	116.085	0	0	0	0	0	192.971	0	0	0	0	89.110
13	A13	Test Project 13	337313	12,5	1.513.375	9.171.967	3.026.749	1.013.375	0	116.085	0	0	0	0	0	192.971	0	0	0	0	125.218
14	A14	Test Project 14	1162000	12,5	1.705.105	10.333.967	3.410.209	1.205.105	0	116.085	0	0	0	0	0	192.971	0	0	0	0	125.218
15	A15	Test Project 15	575430	12,5	1.750.419	10.608.597	3.500.837	1.250.419	0	116.085	0	0	0	0	0	192.971	0	0	0	0	153.928
16	A16	Test Project 16	694969	12,5	1.865.088	11.303.566	3.730.177	1.365.088	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
17	A17	Test Project 17	611800	12,5	1.968.035	11.915.366	3.932.071	1.466.035	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
18	A18	Test Project 18	462969	12,5	2.042.425	12.378.335	4.084.851	1.542.425	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
19	A19	Test Project 19	331172	12,5	2.175.955	12.709.507	4.194.137	1.518.183	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
20	A20	Test Project 20	645000	12	2.370.055	13.354.507	4.406.987	1.536.933	0	116.085	0	0	0	0	0	192.971	0	0	0	0	209.203
21	A21	Test Project 21	530081	12	2.624.511	13.884.588	4.581.914	1.457.403	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
22	A22	Test Project 22	1639600	12	2.895.045	15.524.188	5.122.982	1.727.937	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
23	A23	Test Project 23	825890	12	3.186.396	16.350.068	5.395.522	1.709.127	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
24	A24	Test Project 24	523000	12	3.272.691	16.873.068	5.568.112	1.795.422	0	116.085	0	0	0	0	0	192.971	0	0	0	0	186.103
25	A25	Test Project 25	983832	12	3.435.023	17.856.900	5.892.777	1.957.754	0	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
26	A26	Test Project 26	597719	12	3.588.343	18.379.619	6.065.274	1.976.931	0	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
27	A27	Test Project 27	897838	12	3.820.520	19.277.457	6.361.561	2.041.041	0	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
28	A28	Test Project 28	792866	12	4.380.012	20.070.323	6.623.207	1.743.194	16.377	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
29	A29	Test Project 29	476996	12	4.508.441	20.547.319	6.780.615	1.772.174	16.377	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
30	A30	Test Project 30	343000	12	4.773.786	20.890.319	6.893.805	1.620.019	16.377	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
31	A31	Test Project 31	449762	11,5	5.014.798	21.340.081	7.042.227	1.527.427	16.377	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
32	A32	Test Project 32	632500	11,5	5.286.160	21.972.581	7.250.952	1.464.711	16.377	203.442	0	0	0	0	0	192.971	0	0	0	0	186.103
33	A33	Test Project 33	1041423	11,5	5.603.417	22.829.004	7.533.571	1.430.255	16.377	488.102	0	0	0	0	0	192.971	0	0	0	0	186.103
34	A34	Test Project 34	542124	11,5	6.145.541	23.371.128	7.712.472	1.066.931	16.377	888.602	0	0	0	0	0	192.971	0	0	0	0	186.103
35	A35	Test Project 35	785000	11,5	6.592.331	24.156.128	7.971.522	879.191	16.377	888.602	0	0	0	0	0	192.971	0	0	0	0	186.103
36	A36	Test Project 36	1413323	11,5	7.009.298	25.569.451	8.437.919	918.621	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
37	A37	Test Project 37	425884	11,5	7.265.176	25.995.335	8.578.461	813.284	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
38	A38	Test Project 38	464000	11,5	7.374.734	26.459.335	8.731.581	566.846	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
39	A39	Test Project 39	495000	11,5	7.456.409	26.954.335	8.894.931	498.521	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
40	A40	Test Project 40	1126822	11,5	7.980.448	28.081.157	9.266.782	786.334	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
41	A41	Test Project 41	521750	11,5	8.356.908	28.602.307	9.438.959	582.052	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
42	A42	Test Project 42	514791	11	8.746.950	29.117.698	9.608.840	361.891	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
43	A43	Test Project 43	648848	11	9.021.354	29.766.546	9.822.960	301.606	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
44	A44	Test Project 44	319960	11	9.210.518	30.086.506	9.928.547	218.029	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
45	A45	Test Project 45	570000	11	9.310.058	30.406.506	10.000.000	189.942	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
46	A46	Test Project 46	441023	11	9.458.211	30.847.529	10.000.000	41.789	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
47	A47	Test Project 47	515833	11	9.628.707	31.340.362	10.000.000	-128.707	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
48	A48	Test Project 48	923495	11	9.723.333	31.913.857	10.000.000	-223.333	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
49	A49	Test Project 49	597000	11	10.232.724	32.510.857	10.000.000	-732.724	16.377	1.108.684	0	0	0	0	0	192.971	0	0	0	0	186.103
50	A50	Test Project 50	615990	11	10.847.814	33.125.347	10.000.000	-1.347.814	16.377	1.573.774	0	0	0	0	0	192.971	0	0	0	0	186.103
51	A51	Test Project 51	549823	11	11.297.477	33.635.610	10.000.000	-1.097.477	16.377	1.573.774	0	0	0	0	0	192.971	0	0	0	0	186.103

# ERA-LEARN support for establishing selection list & distribution of EC contribution

4) calculate:

- total EC contribution;
- allocated individual top-up;
- coverage of network implementation costs;
- needs for audit certificates

Fill in the blue cells only !! Do not change the rest of the table !! Only use the "rank"

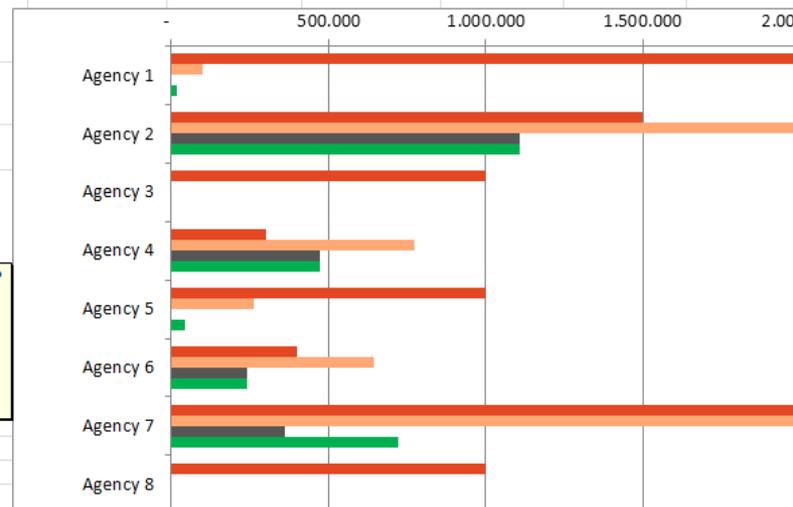
Percentage of EC top-up funding used for gap filling	Please fill in the % of EC top-up which you will use for gap filling											
EC top-up used to cover (parts of) the network activities (implementation costs)	Please insert the amount which will be taken from the EC top-up to cover (parts of) the implementation costs											
	Agency 1	Agency 2	Agency 3	Agency 4	Agency 5	Agency 6	Agency 7	Agency 8	Agency 9	Agency 10	Agency 11	Agency 12
mat/reg committed call budget	2.000.000	1.500.000	1.000.000	300.000	1.000.000	400.000	4.000.000	1.000.000	2.000.000	400.000	500.000	500.000
Cumulative requested funding	99.254	2.608.684	-	773.600	263.094	642.360	4.360.706	-	2.215.896	130.110	45.000	335.34
Additional budget needed to fund selected transnational projects	-	1.108.684	-	473.600	-	242.360	360.706	-	215.896	-	-	-
EC top-up funding received	16.377	1.108.684	-	473.600	43.411	242.360	719.516	-	365.623	21.468	7.425	55.33
EC top-up funding received (% of own contribution)	16,50%	73,91%	#DIV/0!	157,87%	16,50%	60,59%	17,99%	#DIV/0!	18,28%	16,50%	16,50%	16,50%
Audit needed	-	1	-	-	-	-	1	-	1	-	-	-

Max EC top-up according to Grant agreement	10.000.000	Reserve	41.789
Total EC top-up needed to fill gaps and just retour	9.458.211		
Check: can implementation costs be covered by EC top-up ?	Yes		
Check: EU top-up funding needed for gap filling and parts of EC top-up used to cover (parts of) the network implementation costs are do not exceed the max. EC contribution (Grant Agreement)	Yes		

Please fill in the EU-Top-Up (max.) fixed in the Grant agreement  
Calculation see "Read me"

Insert here, if you want to fund this project - no gap possible here - not counting for EU-TOP-UP Calculation

Nr	proposal ID	Proposal acronym	total requested funding	Evaluation score	project funded
1	A1	Test Project 1	838.394	13,5	yes
2	A2	Test Project 2	660.000	13,5	yes
3	A3	Test Project 3	645.000	13,5	yes
4	A4	Test Project 4	1.520.920	13	yes
5	A5	Test Project 5	377.125	13	yes
6	A6	Test Project 6	648.500	13	yes
7	A7	Test Project 7	376.762	13	yes



# **ERA-NET COFUND in practice - Consortium Agreement**

An overview and practical examples  
Sept. 2018

- ❖ The consortium agreements (CA) should be signed before the grant agreement. They cover issues that will or may arise during the project.
- ❖ The **template for an ERA-NET Cofund Consortium Agreement** on [www.era-learn.eu](http://www.era-learn.eu) is based on the DESCA Model but adapted according to the ERA-NET Cofund needs.
  - ❖ Governance structure (structure, procedures, decision taking)
  - ❖ Financial provisions (Payments, budgeting, insufficient financial contribution of the EC, Cost of Certificates of the Financial Statement)
  - ❖ Call implementation (selection process, use of EU-Top-Up funding for transnational projects, ranking list, conflicts of interests, contractual obligations towards EC on selection, contractual obligations for projects funded in the joint call)

# CA - Governance structure (structure, procedures, decision taking)

## General governance structure:

General Assembly , Executive Board , **Call Secretariat** , The Coordinator

## Voting rules

- ❖ DESCA: Each Member of a Consortium Body present or represented in the meeting shall have one vote
- ❖ ERA-NET Cofund Examples:
  - ❖ One vote for each network member / One vote per country / One vote per funding programme/one vote if two partners act as an "institutional couple"
  - ❖ Distinguish between call and other topics: E.g.: In the case of decisions regarding the Joint Call or the additional calls, voting rights are limited to those network member taking part in the respective call.

# CA - Financial provisions (I)

**Budgeting:** 4 Options are included in model

- ❖ Implementation costs
- ❖ Unit costs
- ❖ Support to trans-national projects
- ❖ National/ regional budget of the co-funded joint call
- ❖ Payment Schedule - a liquidity plan is recommended

## CA - Financial provisions (II)

- ❖ The EC financial contribution might change as it is based on actual costs
- ❖ In the unlikely case that the **EC contribution is not sufficient** there should be an agreed procedure in the CA

What might happen:

- less EU-Top-up funding than expected for the Joint Call
- less funding for one or more of the selected trans-national projects
- a Funding Agency has to revoke after the ranking list is fixed
- no EC financial contribution at all

### ❖ **Cost of Certificates of the Financial Statement**

- Option 1: each party covers the related costs for the Certificate of the Financial Statement
- Option 2: Reserve Fund for Certificates of the Financial Statement

# CA - Call implementation

- ❖ Evaluation of pre-proposals: central scientific evaluation, national assessment
- ❖ Limited oversubscription:
  - ❖ The selected pre-proposals should not exceed the proposed total individual national/regional budget of the Joint Call by more than xx times
  - ❖ Obligation to commit higher national/regional budget
- ❖ Use of EU-Top-up funding for transnational projects: Common Pot, Balancing Pot (Mixed Mode)
- ❖ Conflicts of interests
- ❖ Contractual obligations towards EC on selection
- ❖ Contractual obligations for projects funded in the Joint Call

# **ERA-NET COFUND in practice**

## **- Additional Activities – Unit Costs**

An overview and practical examples  
Sept. 2018

# Additional Activities: definiton

- ❖ Additional Activities have to be **related to the coordination of public research and innovation programmes** and should focus on the preparation and implementation of joint activities including additional calls without EC top-up funding.
- ❖ Additional Activities have to be defined in the ERA-NET COFUND proposal in **separate work packages**

# Additional Activities: examples

- ❖ These activities could be (for any P2P network):
  - ❖ Mapping national/trans-national activities
  - ❖ Foresight and common vision
  - ❖ Strategic Research Agenda / Implementation Plan
  - ❖ Additional joint calls
  - ❖ Knowledge sharing amongst researchers
  - ❖ Mobility and Training of Researchers / activities promoting early career scientists and young
  - ❖ Research Infrastructures
  - ❖ Stakeholder involvement
  - ❖ Dissemination/ Up-Take of research results
  - ❖ Widening Participation (activities related to extending cooperation with less active EU countries)
  - ❖ Internationalisation (activities related to extending cooperation to third / non-EU countries)
  - ❖ Monitoring and evaluation/assessment activities both in relation to the network itself or the co-funded projects
- ❖ Other activities that support the alignment of national programmes

# ERA-NET COFUND

## Unit Cost Calculation (1)

- Funding concerning Unit costs for Additional Activities is 11,962.50 € per 1 partner per 1 year → the max amount per partner in a 5-year ERA-NET Cofund is therefore  $5 \times 11,962.50 \text{ €} = 59,812.50 \text{ €}$  assuming that this partner participates in other joint activities every year during 5 years



$$\text{total eligible "unit costs"} = (N1+N2+N3+N4+N5) \times 11962.5 \text{ EUR}$$

- For a consortium of N partners, the overall theoretical maximum amount of "unit costs" during 5 years is therefore  $N \times 59,812.50 \text{ €}$ .
- The reimbursement of coordination cost is **limited to those beneficiaries that carry out activities** that go beyond the co-funded call; depending on the real (reported) number of participations in additional activities the total could be

# ERA-NET COFUND

## Unit Cost Calculation (2)

**EC rule:** the total amount used for coordination of additional joint activities cannot exceed 20% of the total EC contribution

### Example M-ERA.NET 2:

- EC contribution = 12,750,000.00 €
- Max amount available as “unit costs” (=20%) = 2,550,000.00 €
- 43 beneficiaries =  $41 \times 5 \times 11962.50 \text{ €} + 2 \times 4 \times 11962.50 \text{ €} = 2,452,312.50 \text{ €}$  (assuming that 41 partners participate in additional joint activities over 5 years and 2 partners over 4 years)
- → total unit costs = 2,548,012.50 € < 2,550,000.00 € → OK

# Additional activities: internal reporting of Unit Costs

**EC Rule:** Adequate records and other supporting documentation to prove the number of units declared are needed.

- The consortium has to report on the involvement of the beneficiaries in additional activities

**Current Practice:** ERA-NET COFUND developed reporting forms for the consortium to report on the involvement in additional activities or has a clear overview who participated in the additional calls

The EC funding related to Unit Costs is paid together with the EC top-up funding (1<sup>st</sup> Pre-financing , 2<sup>nd</sup> Pre-financing, Payment of the balance)

# ERA-NET COFUND Summary

An overview and practical examples  
Sept. 2018

# Summary

- ❖ The total EC contribution is based on **eligible costs**.
- ❖ The EC funding rate for ERA-NET COFUND is **up to 33%**.
- ❖ Additional activities are refunded with **lump sums** = Unit Cost funding
- ❖ The consortium is free to **define the real use** of the EC contribution in the Consortium Agreement.
- ❖ There are 2 views: The **eligible costs** for calculating the EC contribution and the **real use** of the EC contribution.
- ❖ If part of the EC top-up funding is used to cover the implementation costs (in addition to unit costs, if applicable) the resulting funding rate for transnational projects will be less than 33% and the difference has to be covered by **additional national/regional contributions**.

# Summary

- ❖ The Consortium Agreement should take into account potential unexpected events –**be flexible** !
- ❖ risks can be reduced by careful planning of the ERA-NET Cofund in general and the cofunded call in particular
- ❖ funding gaps in the ranking list must be avoided
- ❖ detailed call planning and committing appropriate national/regional budgets is the most important factor to avoid unbalanced oversubscription.
- ❖ most of the ERA-NET COFUND networks use the mixed mode system: a certain percentage of the EC Top-up is set aside as a “balancing pot”
- ❖ budget planning should not be too tight: reserve a higher call budget and fund more transnational projects than needed
- ❖ 4 main options to cover the implementation costs have been applied by P2P so far.
- ❖ agree on periodic internal reporting of costs to monitor the financial implementation of the ERA-NET Cofund
- ❖ be aware that a reduction of eligible costs will result in a reduction of the EC funding

## Summary

- ❖ Funding concerning Unit costs = 11,962.50 € per 1 partner per 1 year
- ❖ For a consortium of N partners, the overall theoretical maximum amount of “unit costs” during 5 years is therefore  $N \times 59,812.50$  €.
- ❖ The total amount used for coordination of “other” joint activities cannot exceed 20% of the total EC contribution
- ❖ Adequate records and other supporting documentation to prove the number of units declared are needed.
- ❖ If a beneficiary is not involved in the additional activities Unit cost cannot be declared for him
- ❖ The consortium has to report on the involvement of the beneficiaries in additional activities
- ❖ The funding for Unit Costs is transferred together with the other payments (=1<sup>st</sup> Pre-financing , 2<sup>nd</sup> Pre-financing, Payment of the balance)

# Conclusions

- ❖ 85% of the total EC contribution will be paid (2 pre-financings) before any national/regional payments to funded projects are due.
- ❖ National/regional funding organisations have to advance 15% of the EC contribution to the funded transnational projects, to be reimbursed by the EC after the final report (month 60+2) is accepted by the EC.
- ❖ The real EC contribution will be calculated at the end of the ERA-NET COFUND project (month 60+2) based on the real nat./reg. funding paid to projects from the 1 cofunded call and can be smaller but can never be larger than originally requested  
→ **for safety reasons it is advisable to commit as much as possible and aim to receive & fund as many proposals as possible**
- ❖ All nat./reg. payments to RTD projects from the cofunded call must be completed within 60 months; later payments will not be topped-up.  
→ **the timing of the call procedures including all phases must be carefully designed to avoid surprises at the end of 5 years.**

- ❖ ERA-NET COFUND: Guidelines & Practical Documentation:  
<https://www.era-learn.eu/support-for-p2ps/era-net-cofund>
- ❖ ERA-NET COFUND: FAQ:  
[http://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/era-net\\_en.htm](http://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/era-net_en.htm)