

How to establish, manage and finance the consortium Example ERA-NET: BlueBio

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Project no: 817992



Blue
BTO
COFUND





1 Introducing BlueBio

2 **Establishment**
of the consortium

3 **Management**
of the consortium

4 **Financing**
of the consortium

5 Consortium Agreement



ERA-Net Cofund BlueBio – unlocking the potential of blue bioresources



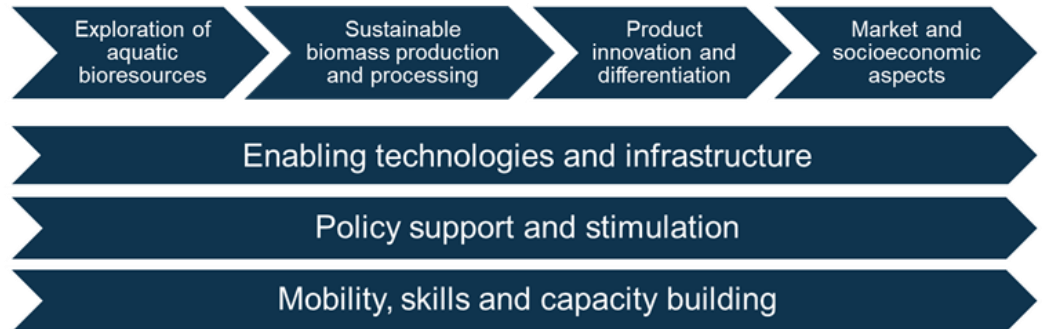
16 European countries - 27 partners

Value chain perspective

R&I areas along the value chains – **From biomass to products and markets**

Bioresources e.g.
Fish and Shellfish
Algae, Sponges, Fungi
Microbiomes, Waste

Biobased products and services e.g.
Food and Feed, Nutraceuticals
Cosmeceuticals, Pharmaceuticals
Biomaterials, Bioenergy





Establish the consortium – Long process – 3 stages



EN

Horizon 2020

Work Programme 2018-2020

9. Food security, sustainable agriculture and forestry, marine, maritime and inland water research and the bioeconomy

IMPORTANT NOTICE ON THIS WORK PROGRAMME

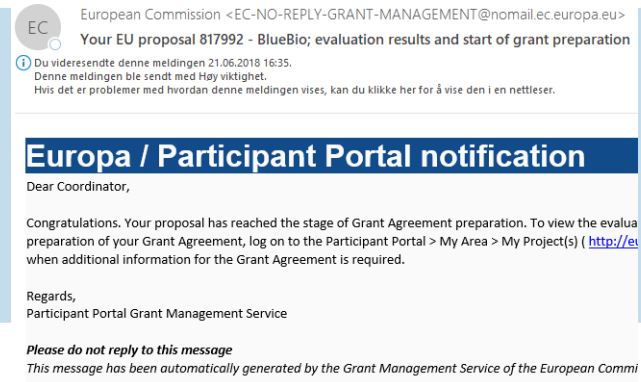
This Work Programme covers 2018, 2019 and 2020. The parts of the Work Programme that relate to 2020 (topics, dates, budget) have, with this revised version, been updated. The changes relating to this revised part are explained on the Funding & Tenders Portal.

(European Commission Decision C(2019)4575 of 2 July 2019)

Lobby phase

Proposal phase

Preparation phase





Establish the Consortium

The Lobby phase – a BOTTOM UP PROCESS

Proposal to the EC

- Dialogue with the EC – starting summer 2014
- Success yes/no

Renewed proposal to the EC

- NEED/GAP-analyses
- One-pager
- Demonstrated partners
- Demonstrate leverage effect
- Demonstrated support
 - Scientific community - Advisory group – Technology Platforms
 - NATIONAL PROGRAMME COMMITTEE REPRESENTATIVE(S)

Endorsed by Programme Committee – summer 2017





Establish the Consortium

The Proposal phase

Respond to the call text and describe

- Excellence: objectives; concept; ambitions
- Impact and measures to maximise impact
- Implementation: Project plan with WP for cofunded call and additional activities; Management structures and procedures

Partners

Budget

In the process:

- Look at other proposals
- Use the EC submission service
- Check the model Grant Agreement
- Dialogue with EC staff, DG RTD
- Invite to partner meetings and involvement



Proposal
Submission Service
User Manual
09/09/2017



Horizon 2020 -
Food security, sustainable agriculture and forestry, marine, maritime and inland water research and the
bioeconomy

Call - Blue Growth

H2020-BG-2018-2020

Mission statement

Introduction

Healthy seas and oceans are essential for thriving ecosystems, climate regulation, global food security, human health, livelihoods and economies. Blue Growth supports sustainable growth in the marine and maritime sectors, building on the responsible management of marine resources for healthy, productive, safe, secure and resilient seas and oceans. The Blue Growth call aims at sustainably harvesting the potential of aquatic resources from seas, oceans and inland waters for different uses and across the range of marine and maritime industries, while protecting biodiversity and enhancing climate resilience.

BG-02-2018: Blue Bioeconomy Public-Public Partnership

Specific Challenge: Aquatic biomass from the seas and oceans, rivers and lakes has a large potential to ensure future food and nutrition security and supply for other high added value chains and products, such as bioenergy, pharmaceuticals and cosmetics from algae while factoring in environment and climate change risks. However, this potential is currently

Scope: Activities shall pool the necessary financial resources from the participating national and/or regional research programmes with a view to implementing a joint call for proposals with EU co-funding resulting in grants to third parties. In addition, activities may involve

Expected Impact: Contributing to ongoing implementation at EU and national level of EU policies such as the **Bioeconomy** Strategy, the Circular Economy Strategy, the Blue Growth Strategy, the Common Fisheries Policy, the Marine Strategy Framework Directive, the Maritime Spatial Planning Directive, the BLUEMED Initiative and notably common priorities

Type of Action: ERA-NET **Cofund**

The conditions related to this topic are provided at the end of this call and in the General Annexes.



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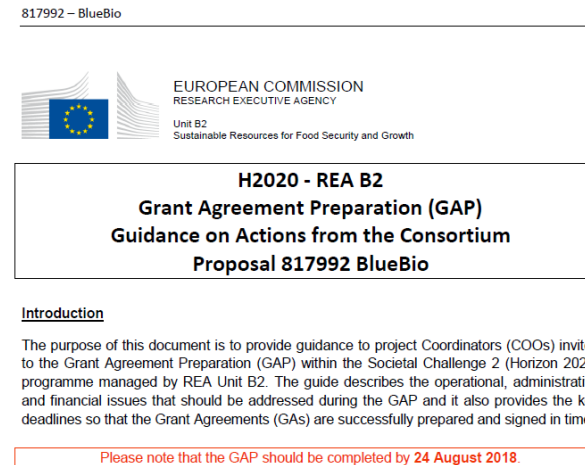
Establish the Consortium

The Preparation phase – Grant Agreement

Based on proposal and evaluation

- New Ethics WP
- Deliverables
- Risks
- Partner issues
- Budget corrections
- Project start date
- Signatories – signatures

Simultaneously: Consortium Agreement
Cofunded call preparation

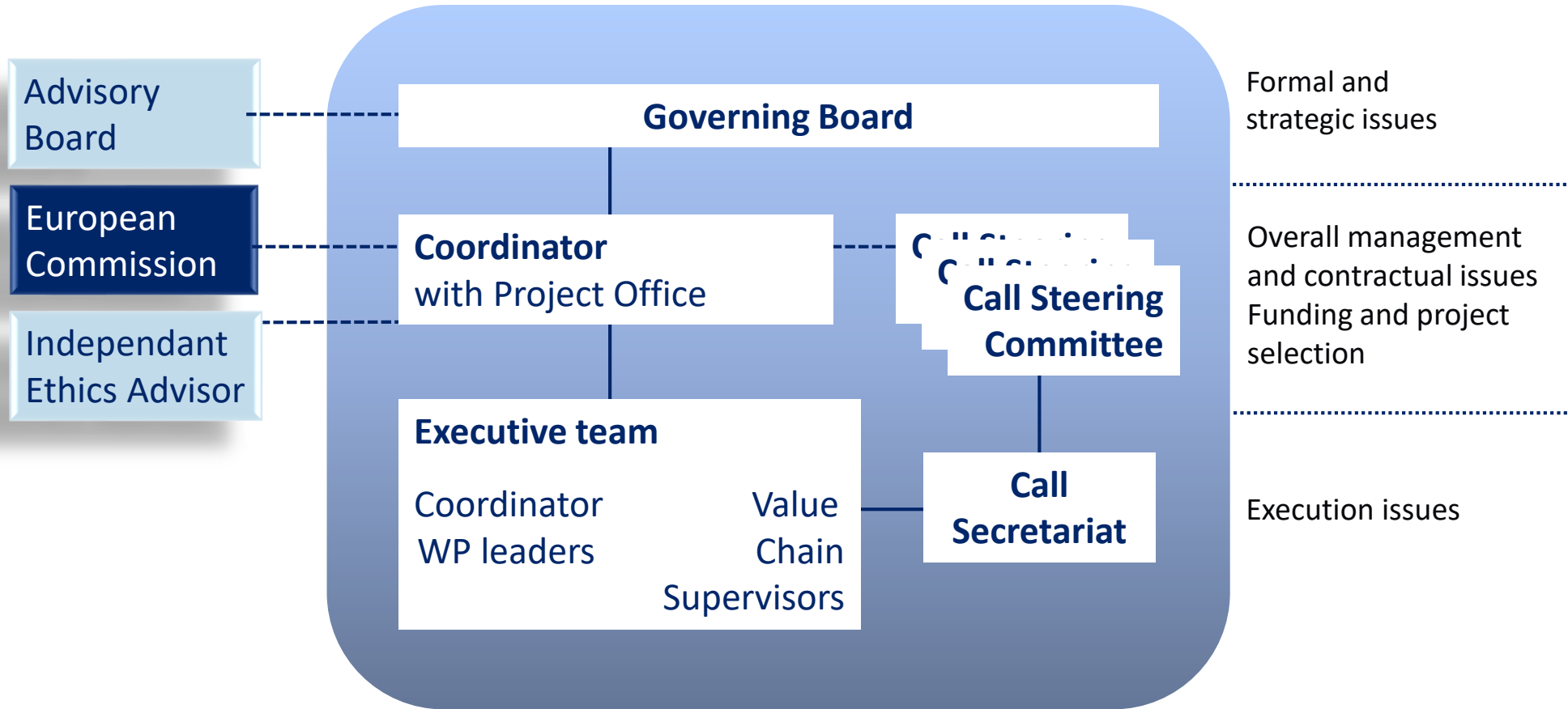


Close contact with project officer





Management Organisational structure



The management and operational structure depend on who you are and what you plan in your project



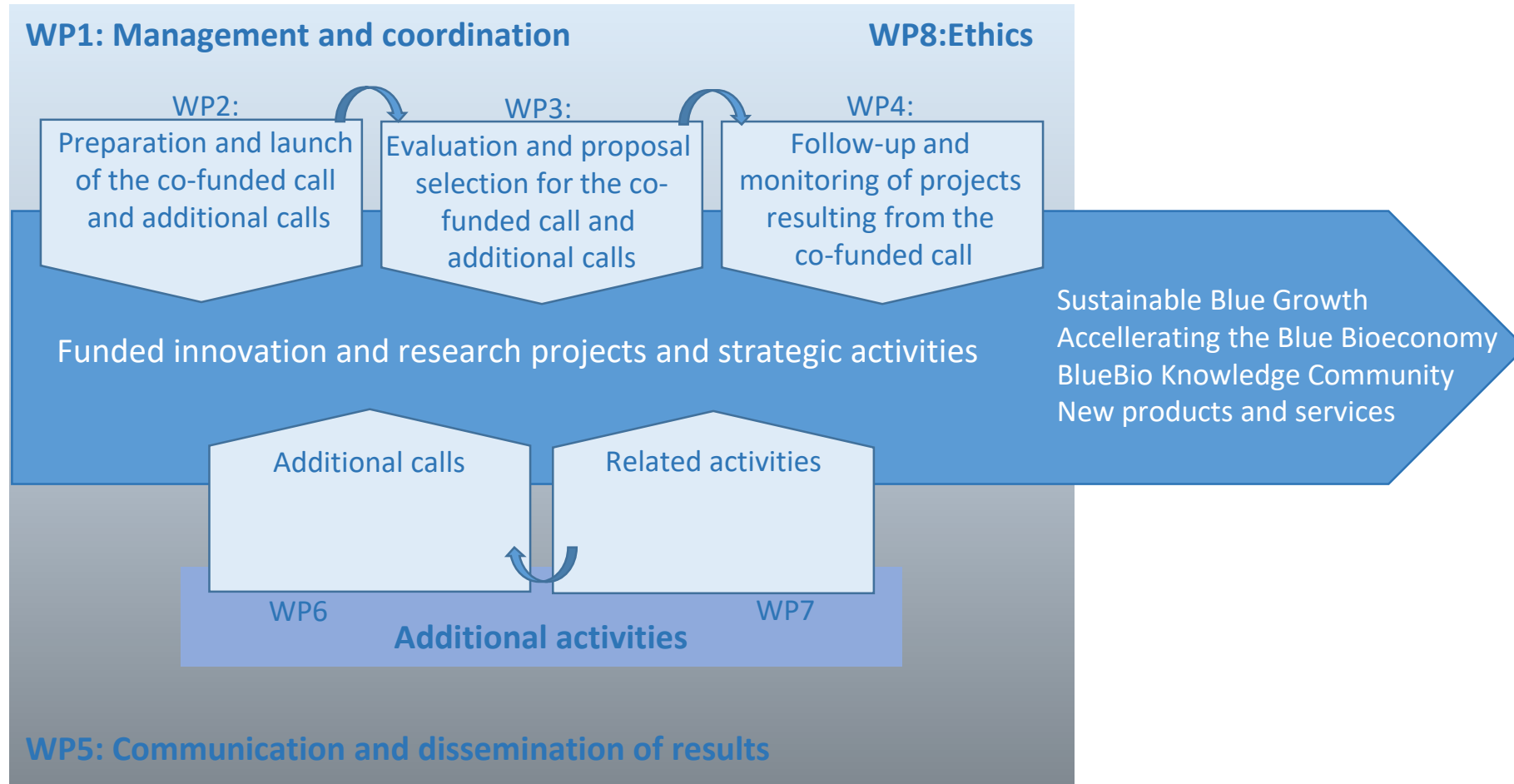
Management

No fixed model for organisation structure, but

- Governing Board: one partner one vote alt. votes relative to call contribution
- Coordination Unit: Should be centralized (minimize separation of management tasks)
Takes responsibility for some additional internal (financial) monitoring
- Executive Team may be useful if many partners are involved, many WP planned and coordination needs additional support
- Call steering Committee for transnational calls; 1 cofunded + 3 additional.
For each of them 2 face-to-face evaluation meetings per call, and ad hoc video meetings
- External 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
Stakeholder engagement plan: identify who to inform – consult – involve – collaborate
- Regular partner update meetings

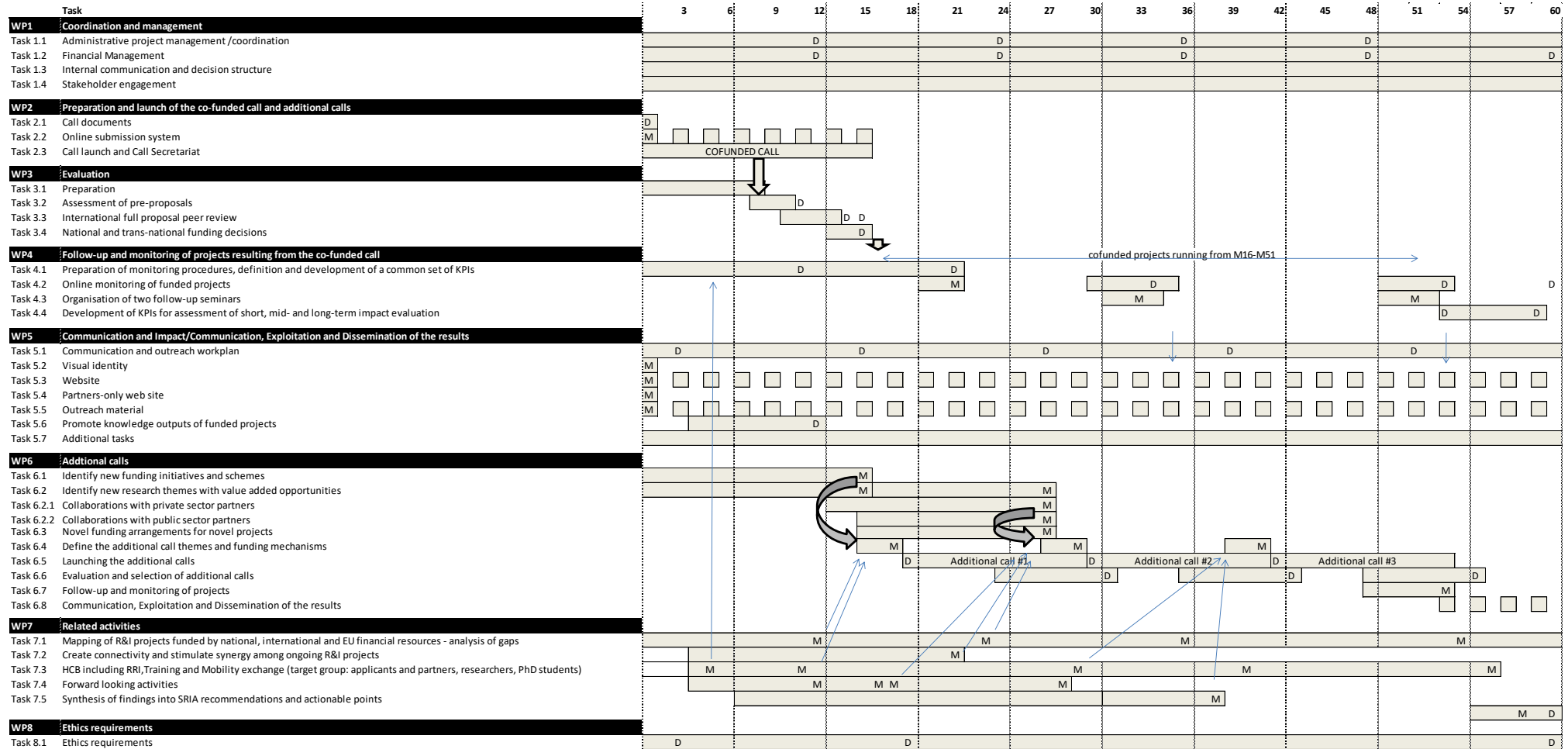


Management – relationship between workpackages





Management Timelines

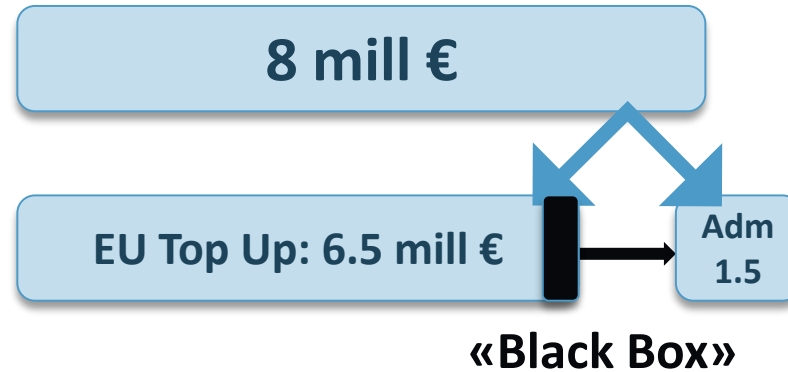




Financing of the consortium

Income budget and expenditure

Maximum Grant amount	8 014 646.64 €
Requested administrative contribution (Unit Costs and indirect costs)	1 495 312.50 €
Requested contribution for EU-Top-Up	6 519 334.14 €



Requested Unit Costs /administrative contributions is max 20 % of total EU contribution. Black box allows for higher administrative budget.

Minimum total **call budget**: 19 725 555 €
 EU Top Up + 2x from Member countries
 Black box has to be replaced in the call budget with a higher contribution from Member countries.

Maximum Grant amount	8 014 646.64 €
Total administrative budget	1 960 000.00 €
Implementation costs for BlueBio	1 640 000.00 €
Travel/subsistence costs	155 000.00 €
Reserve Fund	165 000.00 €
Available EU-Top-Up	6 054 646.64 €



Financing the consortium

Implementation costs

In BlueBio Unit Costs and Black box are mutualised and redistributed to partners according to their share of all activities (WP1-WP8, not only additional activities).

- Alternatively: Each beneficiary receives its share of unit costs for participation in additional activities and all partners contribute to the implementation of the first cofunded call – Not realistic with many partners with uneven contribution to the cofund

Based on H2020 model:

- Standard numbers of PM per activity x direct personnel costs (without overheads)
- Estimated direct costs for meetings, IT tools, subcontracting, evaluation costs and indirect costs

Fixed travel subsistence and reserve fund on top

Participant	No	Country	Estimated Person-Months for WP- and Task leaders	Work Package/ Task	Total Personnel Costs [PM*PM rate] in 1000 €	Direct costs and Indirect costs in 1000 €	TOTAL for implementation in 1000 €
RCN	1	NO	35	WP1 + WP8 (all tasks)	245'	150'	395'
			2	T4.4	19'		19'
			16(6+10**)	VCS* and T7.4	51'	85'	136'
FWO	2	BE					
HERMES	3	BE					
MZO	4	HR					
IFD	5	DK					
ETAG	6	EE					
MEM	7	EE					
MMM	8	FI					
BMBF	11	DE					
JUELICH	12	DE	20	WP2 (all tasks) + T6.5	170'	17'	187'
			2	T6.3	17'		17'
BMEL	13	DE					
BLE	14	DE					
GSRT	15	GR	2	T6.1	11'		11'
RANNIS	16	IS	20	WP5 (all tasks) + T6.8	174'	60'	234'
MI	17	IE	10	WP6 (T2,4)	85'	5'	90'
SFI	18	IE					
CNR	19	IT	20	WP7 (T1,3,5)	100'	25'	125'
MIUR	20	IT					
IN	21	NO					
FCT	22	PT	2	T4.3	10'		10'
FRCT	23	PT					
UEFISCDI	24	RO	20	WP3 (all tasks) + T6.6	120'	180'	300'
			2	T4.1	10'		10'
CDTI	25	ES					
AEI	26	ES	15	WP4 (T2) + T6.7	90'	16'	106'
VGR	27	SW					
FORMAS	28	SW					
MCST	29	MT					
JPI Oceans	30	BE					
TOTAL			166		1102'	538'	1640'

Be prepared for adjustments



Financing the consortium

Accounting and reporting

If you plan to Unit costs and Black box to finance your management costs, and not a simple distribution of Unit Costs, you should be prepared for a double accountability implementation.

- The DoA (Grant Agreement) budget table will be different from the one reflecting the real share of costs.
 - Black box doesn't change the total EU contribution. MS put more money into the call and can use EC contribution for management costs.
 - Unit costs require annual a participation in additional activities by the partners.
-
- Obligation to provide annual information on cumulative expenditures Art 20.5
 - Obligation to provide information upon request Art.17
 - Obligation to keep records and other supporting documentation Art. 18
 - Actual costs, Unit costs, Documentation of accounting practices, Time records for personnel costs
 - Two reports: 1st after 18 months, and final report after 60 months.



Financing of the consortium

Payment to consortium and transfer to partners

	Year	Prognostic cash flow from Funding Authority to Coordinator	Available top-up share for funded projects	Implementation costs of the Cofund Action	Travel and participation in networking	Reserve fund	Accumulated payments from coordinator
1st pre-financing payment 20 %	2018	1,202,196.95				165,000.00	165,000.00
	2019			656,000.00	31,000.00		852,000.00
2nd pre-financing payment after Report 1 from month 1-18 60 %	2020		319,196.98		31,000.00		883,000.00
		5,610,252.75	4,861,252.71	656,000.00			1,202,196.98 6,719,449.69
Payment of balance after Report 2 from month 19-60 20 % ?	2021				31,000.00		6,750,449.69
	2022				31,000.00		6,781,449.69
	2023				31,000.00		6,812,449.69
	2024	1,202,196.95	874,196.95	328,000.00			8,014,646.64
	Total	8,014,646.64	6,054,646.64	1,640,000.00	155,000.00	165 000.00	8,014,646.64



Financial risks

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;
- due to the unavailability of a partner (remember that even if the beneficiaries are institutions the activities are done by people!);
- if there is redistribution of planned activities

If you are using the black box:

- Reduced amounts for gap filling and higher risk for blocking the ranking list and EU Top Up;
- All partner must have the same understanding of starting and end dates of funded projects AND procedures of project extension should be harmonized! Any uncontrolled 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 about specific rules for the cofunded call. Put these in the contracts

Evaluate the non-spending rate and keep the relevant budget aside



Consortium Agreement Complementary to GA and should include ALL elements that are not specified in the GA

- Responsibilities of Parties; Liability towards each other; Non-disclosure of information/confidentiality
- Governance structure and decision making process,
- Financial provisions: the management budget repartition in detail- BUT keep flexibility
- Call implementation Agree on rules of repartition of EC contribution (direct provisions and gap filling, min. and max. percentage allowed) - BUT keep flexibility
- New partners, international partners not eligible for EC support, strategic partners and third parties

In the preparation:

Use ERA-LEARN templates and other examples

Plot your risk assessment and make sure all elements are covered in the CA



Thank you

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