

# **Simplifying the implementation of FP7**

*COM Decision C/2011/174*

**European Commission- DG INFSO**

**Unit S4 - Legal aspects**



# Short-term measures under FP7 (the so-called quick gains) (COM Decision C/2011/174)

- ☑ Revision of the acceptability criteria for average personnel cost
- ☑ Flat rate system for SME owners and natural persons without salary
- ☑ Internal mechanism for uniform application of rules and procedures

Eligible costs

Actual Costs  
*(art II.14.1 a)*

*Lump sums  
for ICPC*

*Notwithstanding point a)*

Average  
personnel  
costs

Flat rate  
for  
SME-owners

*Not recorded in  
the accounts*

# Average personnel costs

- **Acceptability criteria are replaced by the new criteria set forth in the grant agreement**
- **Removal of obligatory ex-ante CoMAv (remains an option)**
- **New criteria:**
  - usual accounting practices;
  - averages based on actual costs in statutory accounts (no budgeted or estimated items)
  - exclusion of ineligible costs as defined in the FP7 Rules for Participation and model grant agreement and exclusion of costs claimed under other cost categories (to avoid double funding)
  - productive hours: usual practice, verifiable and reflecting actual working standards (in practice: general rule; also applicable for non-averages)

# Average personnel costs

- **No prior approval required**
- **But it is still possible to apply for certification of methodology (some advantages...)**

**Beneficiaries who have an approved CoMAv or (CoM covering average personnel costs)?**

- ⇒ **May continue applying the approved methodology**
- ⇒ **Or revert to the usual accounting practice if compatible with the new criteria**

Recommended to inform the Commission on the choice at:

[RTD-FP7-Average-Personnel-Rate-Certification@ec.europa.eu](mailto:RTD-FP7-Average-Personnel-Rate-Certification@ec.europa.eu)

# Flat rate for SME owners

- **Mandatory for SME owners and natural persons without salary registered in the accounts**
  - *Exception: Beneficiaries with an approved certificate may opt to continue using the approved methodology (recommended to inform the Commission at : [RTD-FP7-Average-Personnel-Rate-Certification@ec.europa.eu](mailto:RTD-FP7-Average-Personnel-Rate-Certification@ec.europa.eu))*
- **The hourly rate fixed is used for the whole duration of the project**

# Flat rate for SME owners

- **Based on Marie Curie rates/variable data:**
  - *Different rates depending on the year of publication of the call*
  - *Three researcher categories (early stage, between 4 and 10 years experience, > 10 years experience)*
  - *Country correction coefficients, depending on the year of the call*



How to find out find this data?

[http://cordis.europa.eu/fp7/find-doc\\_en.html](http://cordis.europa.eu/fp7/find-doc_en.html)

*All current work programmes → people*



# SME Owners rate, how to calculate it?

*Hourly rate = {Annual living allowance corresponding to the appropriate research category published in the 'People' Work Programme of the year of the publication of the call to which the proposal has been submitted / standard number of annual productive hours} multiplied by {country correction coefficient published in the 'People' Work programme of the year of the publication of the call /100}*



*Hourly rate = (Annual living allowance / 1575) \* (country correction coefficient /100)*

Researcher category:	Experienced researchers (between 4 and 10 years experience)
Country of residence:	Italy
Year of publication of the call:	2010

**Calculator for hourly rates is available on Cordis**

[http://cordis.europa.eu/fp7/find-doc\\_en.html](http://cordis.europa.eu/fp7/find-doc_en.html)



Version: (04/06/2011)

## SME Owners and Natural Persons without a salary

Calculation of the hourly rate applicable to FP7 projects

**DATA OF THE SME OWNER OR NATURAL PERSON**

Researcher category:	Experienced researchers (between 4 and 10 years experience)
Country of residence:	Belgium
Year of publication of the call:	2011

Click and select

Hourly rate =	Annual Allowance / Productive hours	* Correction Coefficient / 100	Hourly Rate
Hourly rate =	58.500,00	100,00 / 100	37,14 €

If the resulting hourly rate is 0, please contact the Commission via the enquiry service link below

You have doubts? Contact the Research Enquiry Service at: <http://ec.europa.eu/research/index.cfm?pg=enquiries>  
 Find the People Work Programmes at: [http://cordis.europa.eu/fp7/find-abc\\_en.html](http://cordis.europa.eu/fp7/find-abc_en.html)

**Disclaimer:** This tool is aimed at assisting beneficiaries. It is provided for information purposes only and its contents are not intended to replace consultation of any applicable legal sources, including the "People" work programmes. Neither the Commission nor any person acting on its behalf can be held responsible for the use made of this calculation tool.

# Flat rate for SME owners



## How to establish the appropriate researcher category?

- ⇒ Exclusively based on the years of professional experience of the person (not necessarily linked to the area of the research project)
- ⇒ Marie Curie specific conditions (i.e. doctoral degree) do not apply to the SME owners' flat-rate system

# Impact on certification

- **Form D “certificate on Financial statements” and Form E “certificate on the methodology” have been updated**
- **The version accommodating methodologies compliant with the new acceptability criteria and flat-rate financing for SME is available on CORDIS**

# Harmonising the application of rules and procedures

- **Reinforced coordination of the Research family DGs to harmonise procedures**
- **Possibility to be offered to the beneficiaries to report non-coherent approaches via an online form**
- **Clearing Committee works as “last instance” (tackles only issues that cannot be solved at lower level)**

# More information

- **The Annex II to the Grant agreement is the first source of information!**
- **Guide to Financial Issues relating to FP7 actions (CORDIS)**
- **FP7 (certificates issued by external auditors) Guidance Notes for Beneficiaries and Auditors (CORDIS)- to be updated soon**

**Thank you very much for your  
attention!**

**Questions ?**



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