Participants
Guarantee fund

Augusto BURGUEÑO ARJONA
Head of Unit Budget and Finance
Case 1: Project according to plan

Participant

Coordinator

Commission

Guarantee Fund

Pay

Pay

Pay

Prefinancing - GFC

Interim payments

Final payment

GFC = 5% of Max EU contribution

GFC = guarantee fund contribution

GFC

GFC = guarantee fund contribution

4th FP7 ICT Coordinators Day on Project Management - 28/11/2011
Case 2: Termination of one participant – no intervention from the Guarantee fund

Participant

Coordinator

Commission

Guarantee Fund

Pay Debt

Prefinancing – GFC

Interim payments

Final payment

GFC = 5% of Max EU contribution

GFC

4th FP7 ICT Coordinators Day on Project Management - 28/11/2011
Case 3: Termination of one participant – Guarantee fund’s intervention

Participant

Coordinator

Commission

Guarantee Fund

Pay

Pref. – GFC

Interim payments

Final payment

GFC = 5% of Max EU contr.

Debt

GFC = 5% of Max EU contr.

Pref. – GFC

Interim payments

Final payment

GFC

4th FP7 ICT Coordinators Day on Project Management - 28/11/2011
Cases leading to the Guarantee fund intervention

• Bankruptcy or liquidation under Article II.38.1 of the grant agreement

• Other grounds for termination of the participation of a beneficiary at the initiative of the Commission (Article II.38.1). Among others:
  – in case of non-performance or poor performance
  – where the beneficiary has deliberately or through negligence committed an irregularity
  – Etc.

• Non-compliance with the implementation of audit results and/or negative outcome following "desk audits" or technical reviews carried out in accordance with Articles II.22 and II.23 of the grant agreement
More information

• Section 2 of ‘Guide to financial issues’

• User Guide for the Participants Guarantee Fund
  http://ec.europa.eu/research/fp7/index_en.cfm?pg=guarantee