



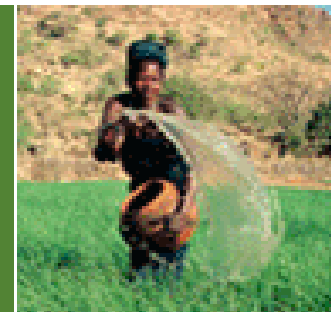
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FP7 Expected Financial Changes

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Outline

- General Principles
- FP7 Budget
- Funding Schemes
- Eligible Costs
- Forms of financial contribution from EC



General Principles

- **SIMPLIFICATION** – 10 measures
- **CONTINUITY** with FP6
- Some examples
 - Unique & common registration database for FP7 participants
 - Electronic submission mandatory
 - Generalization of 2 stage submission process
 - Increased use of remote evaluation process
 - Greater flexibility & increased autonomy for consortia
 - Compulsory consortium agreement



FP7 Budget (1)

June 2006 – millions Euros

	Health	FAB	IST	Nano materials production	Energy	Environment	Transport	Socio-economic research	Space	Security	
COOPERATION	6050	1935	9110	3500	2300	1900	4180	610	1430	1350	32365
IDEAS	European Research Council										7460
PEOPLE	Marie Curie Actions										4728
CAPACITIES	Research Infrastructures	Research for SMEs	Regions of knowledge	Research Potential	Science in society	Coherent development of research policies	INCO Activities				
	1850	1336	126	370	280	70	185	4217			
JRC (EC)											1751
											50521



FP7 Budget (2)

June 2006 – millions Euros

	2007	2008	2009	2010	2011	2012	2013
FP7 budget	5486	6075	6721	7550	8600	9572	10578
Community Budget	130879	138700	143140	146670	150200	154315	158450
FP7 / Community budgets	4.2%	4.4%	4.7%	5.2%	5.7%	6.2%	6.7%



Funding Schemes

- Replace FP6 Instruments
- Collaborative projects (vs. IPs & Streps)
- Networks of Excellence (23500 €/year/researcher)
- Coordination & Support actions
- Support for frontier research (IDEAS)
- Support for training & career development of researchers (PEOPLE)
- Research for the benefit of specific groups (SMEs)



Eligible Costs

□ “Simplified” definition

- Actual
- Incurred during the duration of the action (...)
- Determined in accordance with usual accounting (...) practices (...) and used for (...) achieving the objectives (...) and results in (...) economy, efficiency and effectiveness
- Recorded in the accounts (...)
- Exclusive of non-eligible costs (...)

□ Eligible costs = **direct & indirect** costs



Forms of Financial Contribution from EC

- 3 forms of financial contribution from EC
 - Reimbursement of eligible costs
 - Flat rate financing / scale of unit costs
 - Lump sums
 - Scholarships / Prizes

- Possible Combinations



Reimbursement of eligible costs

- No cost model anymore
- Increased maximum funding rates
 - **Research & Development** activities -> 50%
 - **Exception:** non-profit public bodies, secondary & higher education establishments, research organizations & SMEs -> **75%** (*vs. 50% in FP6*)
 - **Demonstration** activities -> **50%** (*vs. 35% in FP6*)
 - **Training** activities -> 100%
 - **Management** activities -> 100%



Flat rate financing

- ❑ To cover indirect eligible costs
- ❑ Optional
- ❑ Rates established by EC
- ❑ Close approximation of real indirect costs



Financial liability

- Financial responsibility of each participant **limited to its own debt**
(vs. collective financial responsibility in FP6)
- Retained amount for risk avoidance **≤ 1% EC grant**
- Exceptions
 - Public bodies
 - Higher & secondary education establishments
 - Legal entities with guaranty by Member State or Associated Country



Thank you for your attention

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