



**EUROPEAN COMMISSION**  
Executive Agency for Small and Medium-sized Enterprises (EASME)  
**Director**

**AMENDMENT Reference No AMD-672792-41**

**Grant Agreement: 672792 — enhancing Innovation and  
Key Account Management by sme2EU (I-KAM2EU)**

The parties agree to amend the Grant Agreement as follows ('Amendment'):

**1. Migration to Specific Agreement Model of EASME EEN SGA MGA v2.0 (2016)**

Specific Agreement 672792 is replaced by the Specific Agreement version of 2016 set out in the Annex to this amendment.

This Amendment **enters into force** on the day of the last signature.

It **takes effect** from the date the Specific Grant Agreement was signed.

Please inform the other members of the consortium of the Amendment.

**SIGNATURES**

For the coordinator

For the Agency

Enclosures: Annex - Updated version of GA 672792



EUROPEAN COMMISSION  
Executive Agency for Small and Medium-sized Enterprises  
(EASME)

Director



## SPECIFIC AGREEMENT

NUMBER — 672792 — I-KAM2EU

This ‘**Specific Agreement**’ is **between** the following parties:

**on the one part,**

the **Executive Agency for Small and Medium-sized Enterprises (EASME)** ('the Agency'), under the power delegated by the European Commission ('the Commission'),

represented for the purposes of signature of this Specific Agreement by Head of Unit, Executive Agency for Small and Medium-sized Enterprises (EASME), OPERATIONS, COSME, Jose PUIGPELAT VALLS, Director, or his/her duly authorised representative

**and**

**on the other part,**

1. ‘the coordinator’:

**PROMOFIRENZE AZIENDA SPECIALE DELLACAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI FIRENZE (METROPOLI)** IT14, 607483CF06178350481, established in VIA CASTELLO D ALTAFRONTE 11, FIRENZE 50122, Italy, VAT number: IT06178350481, as ‘partner not receiving EU funding’ (see Article 7), represented for the purposes of signing the Agreement by President, Claudio BIANCHI

and the following other partners, represented for the purposes of signing the Specific Agreement by the coordinator (see the mandate in Annex 3 FPA and Article 54 FPA):

2. **CONFINDUSTRIA TOSCANA (Confindustria Toscana)** IT2, CF80003010487, established in PIAZZA DELLA REPUBBLICA 6 PALAZZO LEVI, FIRENZE 50123, Italy,

3. **EUROSPORTELLO CONFESERCENTI (Eurosportello Confesercenti)** IT4, FI430899, established in VIA PISTOIESE 155, FIRENZE 50145, Italy, VAT number: IT02146090481,

4. **CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO (CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO)**, established in VIA LUIGI MERCANTINI 25, ASCOLI PICENO 63100, Italy, VAT number: IT00253810444, as ‘partner not receiving EU funding’ (see Article 7),

5. **ASSOCIAZIONE COMPAGNIA DELLE OPERE DI PESARO (Compagnia delle Opere Pesaro Urbino)** IT2, established in VIA BARIGNANI 30, PESARO 61100, Italy, VAT number: IT92010350418,

6. **CENTRO PER LA PROMOZIONE DELL INTERNAZIONALIZZAZIONE DELLE IMPRESE UMBRE (CENTROESTEROUMBRIA)** IT2, 1167, established in VIA CACCIATORI DELLE ALPI 42, PERUGIA 06121, Italy, VAT number: IT02156340545, — until 15 April 2016,

**7. SOCIETA REGIONALE PER LO SVILUPPO ECONOMICO DELL UMBRIA - SVILUPPUMBRIA SPA (SVILUPPUMBRIA SPA) SPA**, 102952, established in VIA DON BOSCO 11, PERUGIA 06121, Italy, VAT number: IT00267120541,

By entering into the Specific Agreement, the partners accept the grant and agree to implement the specific action, under their own responsibility and in accordance with the Framework Partnership Agreement and this Specific Agreement, with all the obligations and conditions they set out.

The Specific Agreement is composed of:

Terms and Conditions

- |         |   |
|---------|---|
| Annex 1 | Description of the action                                   |
| Annex 2 | Estimated budget for the action                             |
| Annex 3 | Model for the financial statements                          |
| Annex 4 | Model for the certificate on the financial statements (CFS) |

## TERMS AND CONDITIONS

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## **CHAPTER 1 GENERAL**

### **ARTICLE 1 — SUBJECT OF THE AGREEMENT**

This Agreement sets out the specific terms and conditions and rights and obligations applicable to the specific grant awarded to the partners for implementing a specific Horizon 2020 Enterprise Europe Network (EEN) action under the Framework Partnership Agreement No 649295 — SME2EU (**'Framework Partnership Agreement (FPA)'**).

## **CHAPTER 2 ACTION**

### **ARTICLE 2 — ACTION TO BE IMPLEMENTED**

The specific Horizon 2020 EEN action to be implemented is entitled **'enhancing Innovation and Key Account Management by sme2EU — I-KAM2EU'** (**'action'**) and is described in Annex 1.

### **ARTICLE 3 — DURATION AND STARTING DATE OF THE ACTION**

The duration of the specific action will be **24 months** as of 1 January 2015 (**'starting date of the action'**).

## **CHAPTER 3 SPECIFIC GRANT**

### **ARTICLE 4 — GRANT AMOUNT, FORM OF GRANT, REIMBURSEMENT RATE AND FORMS OF COSTS**

#### **4.1 Maximum grant amount**

The **'maximum grant amount'** for the specific grant is **EUR 225,353.10** (two hundred and twenty five thousand three hundred and fifty three EURO and ten eurocents).

#### **4.2 Form of grant, reimbursement rate and forms of costs**

The grant reimburses **100% of the action's eligible costs** (see Article 5) (**'reimbursement of eligible costs'**) (see Annex 2).

The estimated eligible costs of the action are **EUR 225,353.10** (two hundred and twenty five thousand three hundred and fifty three EURO and ten eurocents).

Eligible costs (see Article 5) must be declared under the following forms (**'forms of costs'** or **'costs forms'**):

(a) for **direct personnel costs**:

- as actually incurred costs (**'actual costs'**) or
- on the basis of an amount per unit calculated by the partner in accordance with its usual cost accounting practices (**'unit costs'**).

(b) for **direct costs for subcontracting**: as actually incurred costs (**'actual costs'**);

- (c) **direct costs of providing financial support to third parties**: not applicable;
- (d) for **other direct costs**: as actually incurred costs ('**actual costs**');
- (e) for **indirect costs**: on the basis of a flat-rate applied as set out in Article 5.2.E ('**flat-rate costs**');
- (f) **specific cost category(ies)**: not applicable;

### 4.3 Final grant amount — Calculation

#### 4.3.1 Step 1 — Application of the reimbursement rate to the eligible costs

The reimbursement rate (see Article 4.2) are applied to the eligible costs (actual costs, unit costs, flat-rate costs; see Article 5), declared by the partners and linked third parties (see Article 16) and approved by the Agency (see Article 17).

#### 4.3.2 Step 2 — Limit to the maximum grant amount

If the amount obtained following Step 1 is higher than the maximum grant amount (see Article 4.1), it will be limited to the latter.

#### 4.3.3 Step 3 — Reduction due to the no-profit rule

The specific grant must not produce a profit.

'**Profit**' means the surplus of the amount obtained following Steps 1 and 2 plus the specific action's total receipts, over the specific action's total eligible costs.

The '**specific action's total eligible costs**' are the consolidated total eligible costs approved by the Agency.

The '**specific action's total receipts**' are the consolidated total receipts generated during its duration (see Article 3).

The following are considered **receipts**:

- a) income generated by the specific action; if the income is generated from selling equipment or other assets purchased under the Specific Agreement, the receipt is up to the amount declared as eligible under the Specific Agreement;
- b) financial contributions given by third parties to the partner or to a linked third party specifically to be used for the specific action, and
- c) in-kind contributions provided by third parties free of charge specifically to be used for the specific action, if they have been declared as eligible costs.

The following are however not considered receipts:

- (a) income generated by exploiting the specific action's results (see Article 18e);
- (b) financial contributions by third parties, if they may be used to cover costs other than the eligible costs (see Article 5);

- (c) financial contributions by third parties with no obligation to repay any amount unused at the end of the period set out in Article 3 .

If there is a profit, it will be deducted from the amount obtained following Steps 1 and 2.

#### **4.3.4 Step 4 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations — Reduced grant amount — Calculation**

If the specific grant is reduced (see Article 41 FPA), the Agency will calculate the reduced grant amount by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 41.2 FPA) from the maximum grant amount (see Article 4.1).

The final grant amount will be the lower of the following two:

- the amount obtained following Steps 1 to 3 or
- the reduced grant amount following Step 4.

#### **4.4 Revised final grant amount — Calculation**

If — after the payment of the balance (in particular, after checks, reviews, audits or investigations; see Article 27 FPA) — the Agency rejects costs (see Article 40 FPA) or reduces the specific grant (see Article 41 FPA), it will calculate the '**revised final grant amount**' for the partner concerned by the findings.

This **amount** is calculated by the Agency on the basis of the findings, as follows:

- in case of **rejection of costs**: by applying the reimbursement rate to the revised eligible costs approved by the Agency for the partner concerned;
- in case of **reduction of the specific grant**: by calculating the concerned partner's share in the grant amount reduced in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations (see Article 41.2 FPA).

In case of **rejection of costs and reduction of the specific grant**: the revised final grant amount for the partner concerned will be the lower of the two amounts above.

### **ARTICLE 5 — ELIGIBLE AND INELIGIBLE COSTS**

#### **5.1 General conditions for costs to be eligible**

'**Eligible costs**' are costs that meet the following criteria:

(a) for **actual costs**:

- (i) they must be actually incurred by the partner;
- (ii) they must be incurred in the period set out in Article 3, with the exception of costs relating to the submission of the final report (see Article 16);
- (iii) they must be indicated in the estimated budget set out in Annex 2;

- (iv) they must be incurred in connection with the specific action as described in Annex 1 and necessary for its implementation;
- (v) they must be identifiable and verifiable, in particular recorded in the partner's accounts in accordance with the accounting standards applicable in the country where the partner is established and with the partner's usual cost accounting practices;
- (vi) they must comply with the applicable national law on taxes, labour and social security, and
- (vii) they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency;

(b) for **unit costs**:

- (i) they must be calculated as follows:

{amounts per unit set out in Annex 2 or calculated by the partner in accordance with its usual cost accounting practices (see Article 5.2.A)}

multiplied by

{the number of actual units};

- (ii) the number of actual units must comply with the following conditions:

- the units must be actually used or produced in the period set out in Article 3;
- the units must be necessary for implementing the specific action or produced by it, and
- the number of units must be identifiable and verifiable, in particular supported by records and documentation (see Article 23 FPA);

(c) for **flat-rate costs**:

- (i) they must be calculated by applying the flat-rate set out in Annex 2, and

- (ii) the costs (actual costs or unit costs) to which the flat-rate is applied must comply with the conditions for eligibility set out in this Article.

## 5.2 Specific conditions for costs to be eligible

Costs are eligible if they comply with the general conditions (see above) and the specific conditions set out below for each of the following budget categories:

- A. direct personnel costs;
- B. direct costs of subcontracting;
- C. not applicable;
- D. other direct costs;
- E. indirect costs;
- F. not applicable.

'Direct costs' are costs that are directly linked to the action implementation and can therefore be attributed to it directly. They must not include any indirect costs (see Point E below).

‘Indirect costs’ are costs that are not directly linked to the specific action implementation and therefore cannot be attributed directly to it.

## A. Direct personnel costs

### Types of eligible personnel costs

A.1 Personnel costs are eligible, if they are related to personnel working for the partner under an employment contract (or equivalent appointing act) and assigned to the action (**‘costs for employees (or equivalent)’**). They must be limited to salaries (including during parental leave), social security contributions, taxes and other costs included in the **remuneration**, if they arise from national law or the employment contract (or equivalent appointing act).

Partners that are non-profit legal entities<sup>1</sup> may also declare as personnel costs **additional remuneration** for personnel assigned to the specific action (including payments on the basis of supplementary contracts regardless of their nature), if:

- (a) it is part of the partner’s usual remuneration practices and is paid in a consistent manner whenever the same kind of work or expertise is required;
- (b) the criteria used to calculate the supplementary payments are objective and generally applied by the partner, regardless of the source of funding used.

Additional remuneration for personnel assigned to the action is eligible up to the following amount:

- (a) if the person works full time and exclusively on the action during the full year: up to EUR 8 000;
- (b) if the person works exclusively on the action but not full-time or not for the full year: up to the corresponding pro-rata amount of EUR 8 000, or
- (c) if the person does not work exclusively on the action: up to a pro-rata amount calculated as follows:  
$$\left\{ \left\{ \text{EUR } 8\,000 \right. \right.$$

divided by

$$\left. \left. \text{the number of annual productive hours (see below)} \right\} \right\},$$

multiplied by

$$\left. \left. \text{the number of hours that the person has worked on the action during the year} \right\} \right\}.$$

A.2 The **costs for natural persons working under a direct contract** with the partner other than an employment contract are eligible personnel costs, if:

- (a) the person works under the partner’s instructions and, unless otherwise agreed with the partner, on the partner’s premises;
- (b) the result of the work carried out belongs to the partner, and
- (c) the costs are not significantly different from those for personnel performing similar tasks under an employment contract with the partner.

- A.3 **The costs of personnel seconded by a third party against payment** are eligible personnel costs, if the conditions in Article 9 are met.
- A.4 **Costs owners** of partners that are small and medium-sized enterprises (**‘SME owners’**)  
Not applicable.
- A.5 **Costs of ‘partners that are natural persons’** not receiving a salary.  
Not applicable.
- A.6 **Personnel costs for providing trans-national or virtual access to research infrastructure.**  
Not applicable.

### **Calculation**

Personnel costs must be calculated by the partners as follows:

{hourly rate  
multiplied by  
number of actual hours worked on the specific action},  
plus  
for non-profit legal entities: additional remuneration to personnel assigned to the action under the conditions set out above (Point A.1)}.

The number of actual hours declared for a person must be identifiable and verifiable (see Article 23 FPA).

The total number of hours declared in EU or Euratom grants, for a person for a year, cannot be higher than the annual productive hours used for the calculations of the hourly rate. Therefore, the maximum number of hours that can be declared for the specific grant are:

{number of annual productive hours for the year (see below)  
minus  
total number of hours declared by the partner, for that person for that year, for other EU or Euratom grants}.

The **‘hourly rate’** is one of the following:

- (a) for personnel costs declared as **actual costs**: the hourly rate is calculated per full financial year as follows:

{actual annual personnel costs (excluding additional remuneration) for the person  
divided by  
number of annual productive hours}.

using the personnel costs and the number of productive hours for each full financial year covered by the reporting period. If a financial year is not closed at the end of the reporting period, the partners must use the hourly rate of the last closed financial year available.

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<sup>1</sup> For the definition, see Article 2.1(14) of the Rules for Participation Regulation No 1290/2013: **‘non-profit legal entity’** means a legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members.

For the ‘number of annual productive hours’, the partners may choose one of the following:

- (i) ‘fixed number of hours’: 1 720 hours for persons working full time (or corresponding pro-rata for persons not working full time);
- (ii) ‘individual annual productive hours’: the total number of hours worked by the person in the year for the partner, calculated as follows:

{annual workable hours of the person (according to the employment contract, applicable collective labour agreement or national law)

plus

overtime worked

minus

absences (such as sick leave and special leave)}.

‘Annual workable hours’ means the period during which the personnel must be working, at the employer’s disposal and carrying out his/her activity or duties under the employment contract, applicable collective labour agreement or national working time legislation.

If the contract (or applicable collective labour agreement or national working time legislation) does not allow to determine the annual workable hours, this option cannot be used.

- (iii) ‘standard annual productive hours’: the ‘standard number of annual hours’ generally applied by the partner for its personnel in accordance with its usual cost accounting practices. This number must be at least 90% of the ‘standard annual workable hours’.

If there is no applicable reference for the standard annual workable hours, this option cannot be used.

For all options, the actual time spent on **parental leave** by a person assigned to the action may be deducted from the number of annual productive hours.

As an alternative, partners may calculate the hourly rate per month, as follows:

{actual monthly personnel cost (excluding additional remuneration) for the person

divided by

{number of annual productive hours / 12}}

using the personnel costs for each month and (one twelfth of) the annual productive hours calculated according to either option (i) or (iii) above, i.e.:

- fixed number of hours or
- standard annual productive hours.

Time spent on **parental leave** may not be deducted when calculating the hourly rate per month. However, partners may declare personnel costs incurred in periods of parental leave in proportion to the time the person worked on the action in that financial year.

If parts of a basic remuneration are generated over a period longer than a month, the partners may include only the share which is generated in the month (irrespective of the amount actually paid for that month).

Each partner must use only one option (per full financial year or per month) during each full financial year;

(b) for personnel costs declared on the basis of **unit costs**: the hourly rate for personnel costs declared on the basis of the partner's usual cost accounting practices is the hourly rate calculated by the partner in accordance with its usual cost accounting practices, provided that:

- the cost accounting practices used are applied in a consistent manner, based on objective criteria, regardless of the source of funding;
- the hourly rate is calculated using the actual personnel costs recorded in the partner's accounts, excluding any ineligible cost or costs included in other budget categories.

The actual personnel costs may be adjusted by the partner on the basis of budgeted or estimated elements. Those elements must be relevant for calculating the personnel costs, reasonable and correspond to objective and verifiable information;

and

- the hourly rate is calculated using the number of annual productive hours (see above).

**B. Direct costs of subcontracting** (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the partner) are eligible if the conditions in Article 11.1.1 are met.

#### **C. Direct costs of providing financial support to third parties**

Not applicable

#### **D. Other direct costs**

D.1 **Travel costs and related subsistence allowances** (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the partner) are eligible if they are in line with the partner's usual practices on travel.

D.2 The **depreciation costs for equipment, infrastructure or other assets** (new or second-hand) as recorded in the partner's accounts are eligible, if they were purchased in accordance with Article 8.1.1 and written off in accordance with international accounting standards and the partner's usual accounting practices.

The **costs of renting or leasing** equipment, infrastructure or other assets (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the partner) are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

The costs of equipment, infrastructure or other assets **contributed in-kind against payment** are eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets, do not include any financing fees and if the conditions in Article 9.1 are met.



The only portion of the costs that will be taken into account is that which corresponds to the duration of the action and rate of actual use for the purposes of the action.

**D.3 Costs for other goods and services** (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the partner) are eligible, if they are:

- (a) purchased specifically for the specific action and in accordance with Article 8.1.1 or
- (b) contributed in kind against payment and in accordance with Article 9.1.

Such goods and services include, for instance, consumables and supplies, dissemination (including open access), protection of results, certificates on the financial statements (if they are required by the Agreement), certificates on the methodology, translations and publications.

**D.4 Capitalised and operating costs of ‘large research infrastructure’**

Not applicable

## **E. Indirect costs**

**Indirect costs** are eligible if they are declared on the basis of the flat-rate of 25% of the eligible direct costs (see Article 4.2 and Points A to D above), from which are excluded:

- (a) costs of subcontracting and
- (b) costs of in-kind contributions provided by third parties which are not used on the partner’s premises;
- (c) not applicable;
- (d) not applicable.

Partners receiving an operating grant<sup>2</sup> financed by the EU or Euratom budget cannot declare indirect costs for the period covered by the operating grant.

## **F. Specific cost category(ies)**

Not applicable

### **5.3 Conditions for costs of linked third parties to be eligible**

Costs incurred by linked third parties are eligible if they fulfil — mutatis mutandis — the general and specific conditions for eligibility set out in this Article (Article 5.1 and 5.2) and Article 12.1.1.

### **5.4 Conditions for in-kind contributions provided by third parties free of charge to be eligible**

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<sup>2</sup> For the definition, see Article 121(1)(b) of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1505/2002 (OJ L 218, 25.10.2012, p.1) (**‘Financial Regulation No 966/2012’**): **‘operating grant’** means direct financial contribution, by way of donation, from the budget in order to finance the functioning of a body which pursues an aim of general EU interest or has an objective forming part of and supporting an EU policy.

**In-kind contributions provided free of charge** are eligible direct costs (for the partner or linked third party), if the costs incurred by the third party fulfil — *mutatis mutandis* — the general and specific conditions for eligibility set out in this Article (Article 5.1 and 5.3) and Article 10.1.

## **5.5 Ineligible costs**

‘**Ineligible costs**’ are:

- (a) costs that do not comply with the conditions set out above (Article 5.1 to 5.4), in particular:
  - (i) costs related to return on capital;
  - (ii) debt and debt service charges;
  - (iii) provisions for future losses or debts;
  - (iv) interest owed;
  - (v) doubtful debts;
  - (vi) currency exchange losses;
  - (vii) bank costs charged by the partner’s bank for transfers from the Agency;
  - (viii) excessive or reckless expenditure;
  - (ix) deductible VAT;
  - (x) costs incurred during suspension of the implementation of the action (see Article 47 FPA);
- (b) costs declared under another EU or Euratom grant (including grants awarded by a Member State and financed by the EU or Euratom budget and grants awarded by bodies other than the Agency for the purpose of implementing the EU or Euratom budget); in particular, indirect costs if the partner is already receiving an operating grant financed by the EU or Euratom budget in the same period.

## **5.6 Consequences of declaration of ineligible costs**

Declared costs that are ineligible will be rejected (see Article 40 FPA).

This may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **CHAPTER 4 RIGHTS AND OBLIGATIONS OF THE PARTIES**

### **SECTION 1 RIGHTS AND OBLIGATIONS RELATED TO IMPLEMENTING THE SPECIFIC ACTION**

#### **ARTICLE 6 — RESOURCES TO IMPLEMENT THE ACTION — THIRD PARTIES INVOLVED IN THE ACTION**

The partners must have the appropriate resources to implement the specific action.

If it is necessary to implement the specific action, the partners may:

- purchase goods, works and services (see Article 8);
- use in-kind contributions provided by third parties against payment (see Article 9);
- use in-kind contributions provided by third parties free of charge (see Article 10);
- call upon subcontractors to implement action tasks described in Annex 1 (see Article 11);
- call upon linked third parties to implement action tasks described in Annex 1 (see Article 12).

In these cases, the partners retain sole responsibility towards the Agency and the other partners for implementing the specific action.

## **ARTICLE 7 — IMPLEMENTATION OF ACTION TASKS BY PARTNERS NOT RECEIVING EU FUNDING**

### **7.1 Rules for the implementation of action tasks by partners not receiving EU funding**

Partners not receiving EU funding must implement the specific action tasks attributed to them in Annex 1 according to Article 12 FPA.

Their costs are estimated in Annex 2 but:

- will not be reimbursed and
- will not be taken into account for the calculation of the specific grant (see Articles 4 and 17 SGA, and Article 10 FPA).

Articles 4, 5, 8 to 14, 16.6, 18 SGA and Articles 38 FPA do not apply to CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO.

Articles 32.4, 33.2, 34.1, 34.2, 36.3, 37.5 FPA do not apply to results generated without EU funds.

The partner will not be subject to financial checks, reviews and audits under Article 27 FPA for its own costs.

Articles 4, 5, 8 to 14, 16.6, 18, 18c4, 18d2, 18e.1, 18h.6 SGA and Articles 23.1.2, 38, FPA do not apply to METROPOLI.

The partner will not be subject to financial checks, reviews and audits under Article 27 FPA for its own costs.

Partners not receiving EU funding may provide in-kind contributions to another partner. In this case, they will be considered as a third party for the purpose of Articles 9 and 10.

### **7.2 Consequences of non-compliance**

If a partner not receiving EU funding breaches any of its obligations under this Article, its participation of the Agreement may be terminated (see Article 48 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement that are applicable to it.

## **ARTICLE 8 — PURCHASE OF GOODS, WORKS AND SERVICES**

### **8.1 Rules for purchasing goods, works or services**

8.1.1 If necessary to implement the specific action, the partners may purchase goods, works or services.

The partners must make such purchases ensuring the best value for money or, if appropriate, the lowest price. In doing so, they must avoid any conflict of interests (see Article 33 FPA).

The partners must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 27 and 28 FPA also towards their contractors.

8.1.2 Partners that are ‘contracting authorities’ within the meaning of Directive 2004/18/EC<sup>4</sup> (or 2014/24/EU<sup>5</sup>) or ‘contracting entities’ within the meaning of Directive 2004/17/EC<sup>6</sup> (or 2014/25/EU<sup>7</sup>) must comply with the applicable national law on public procurement.

### **8.2 Consequences of non-compliance**

If a partner breaches any of its obligations under Article 8.1.1, the costs related to the contract concerned will be ineligible (see Article 5) and will be rejected (see Article 40 FPA).

If a partner breaches any of its obligations under Article 8.1.2, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 9 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES AGAINST PAYMENT**

### **9.1 Rules for the use of in-kind contributions against payment**

If necessary to implement a specific action, the partners may use in-kind contributions provided by third parties against payment.

The partners may declare costs related to the payment of in-kind contributions as eligible (see Article 5), up to the third parties’ costs for the seconded persons, contributed equipment, infrastructure or other assets or other contributed goods and services.

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<sup>4</sup> Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts (OJ L 134, 30.04.2004, p. 114).

<sup>5</sup> Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.03.2014, p. 65).

<sup>6</sup> Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (OJ L 134, 30.04.2004, p. 1).

<sup>7</sup> Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.03.2014, p. 243).

The third parties and their contributions must be set out in Annex 1. The Agency may however approve in-kind contributions not set out in Annex 1 without amendment (see Article 53 FPA), if:

- they are specifically justified in the final technical report, and
- their use does not entail changes to the Specific Agreement which would call into question the decision awarding the specific grant or breach the principle of equal treatment of applicants.

The partners must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 27 and 28 FPA also towards the third parties.

## **9.2 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the costs related to the payment of the in-kind contribution will be ineligible (see Article 5) and will be rejected (see Article 40 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 10 — USE OF IN-KIND CONTRIBUTIONS PROVIDED BY THIRD PARTIES FREE OF CHARGE**

### **10.1 Rules for the use of in-kind contributions free of charge**

If necessary to implement a specific action, the partners may use in-kind contributions provided by third parties free of charge.

The partners may declare costs incurred by the third parties for the seconded persons, contributed equipment, infrastructure or other assets or other contributed goods and services as eligible in accordance with Article 5.

The third parties and their contributions must be set out in Annex 1. The Agency may however approve in-kind contributions not set out in Annex 1 without amendment (see Article 53 FPA), if:

- they are specifically justified in the final technical report, and
- their use does not entail changes to the Specific Agreement which would call into question the decision awarding the specific grant or breach the principle of equal treatment of applicants.

The partners must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-fraud Office (OLAF) can exercise their rights under Articles 27 and 28 FPA also towards the third parties.

### **10.2 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the costs incurred by the third parties related to the in-kind contribution will be ineligible (see Article 5) and will be rejected (see Article 40 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 11 — IMPLEMENTATION OF ACTION TASKS BY SUBCONTRACTORS**

### **11.1 Rules for subcontracting action tasks**

11.1.1 If necessary to implement a specific action, the partners may award subcontracts covering the implementation of certain action tasks described in Annex 1.

Subcontracting may cover only a limited part of the specific action.

The partners must award the subcontracts ensuring the best value for money or, if appropriate, the lowest price. In doing so, they must avoid any conflict of interests (see Article 33 FPA).

The tasks to be implemented and the estimated cost for each subcontract must be set out in Annex 1 and the total estimated costs of subcontracting per partner must be set out in Annex 2. The Agency may however approve subcontracts not set out in Annex 1 and 2 without amendment (see Article 53 FPA), if:

- they are specifically justified in the final technical report, and
- they do not entail changes to the Specific Agreement which would call into question the decision awarding the specific grant or breach the principle of equal treatment of applicants.

The partners must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 27 and 28 FPA also towards their subcontractors.

11.1.2 The partners must ensure that their obligations under Articles 33, 34, 36 and 44 FPA also apply to the subcontractors.

Partners that are ‘contracting authorities’ within the meaning of Directive 2004/18/EC (or 2014/24/EU) or ‘contracting entities’ within the meaning of Directive 2004/17/EC (or 2014/25/EU) must comply with the applicable national law on public procurement.

### **11.2 Consequences of non-compliance**

If a partner breaches any of its obligations under Article 11.1.1, the costs related to the subcontract concerned will be ineligible (see Article 5) and will be rejected (see Article 40 FPA).

If a partner breaches any of its obligations under Article 11.1.2, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 12 — IMPLEMENTATION OF ACTION TASKS BY LINKED THIRD PARTIES**

### **12.1 Rules for calling upon linked third parties to implement part of the action**

12.1.1 The linked third parties listed in Article 19 FPA may implement action tasks attributed to them in Annex 1.

They may declare as eligible the costs they incur for implementing the action tasks in accordance with Article 5.

The partners must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 27 and 28 of the Framework Partnership Agreement also towards their linked third parties.

12.1.2 The partners must ensure that their obligations under Articles 23, 25, 33, 34 and 36 FPA also apply to their linked third parties.

## **12.2 Consequences of non-compliance**

If any obligation under Article 12.1.1 is breached, the costs of the linked third party will be ineligible (see Article 5) and will be rejected (see Article 40 FPA).

If any obligation under Article 12.1.2 is breached, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 13 — FINANCIAL CONTRIBUTION TO THIRD PARTIES**

Not applicable

## **ARTICLE 13a — SUPPORT TO OR IMPLEMENTATION OF TRANS-NATIONAL PROJECTS**

Not applicable

## **ARTICLE 14 — PROVISIONS OF TRANS-NATIONAL OR VIRTUAL ACCESS TO RESEARCH INFRASTRUCTURES**

Not applicable

## **SECTION 2 RIGHTS AND OBLIGATIONS RELATED TO THE GRANT ADMINISTRATION**

### **ARTICLE 15 — SUBMISSION OF DELIVERABLES**

#### **15.1 Obligation to submit deliverables**

The coordinator must submit:

- the following ‘**progress report(s)**’:
  - a progress report by 30/01/2016 , covering the period from month 1 to month 12
- any other ‘**deliverables**’ identified in Annex 1, in accordance with the timing and conditions set out in it.

#### **15.2 Consequences of non-compliance**

If the coordinator breaches any of its obligations under this Article, the Agency may apply any of the measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 16 — REPORTING — PAYMENT REQUESTS**

### **16.1 Obligation to submit reports**

The coordinator must submit to the Agency (see Article 50 FPA) the final report set out in this Article. This report includes the requests for payment and must be drawn up using the forms and templates provided in the electronic exchange system (see Article 50 FPA).

### **16.2 Reporting periods**

The specific action has one ‘**reporting period**’:

- RP1: from month 1 to month 24

#### **16.2a Request(s) for further pre-financing payment(s)**

Not applicable

### **16.3 Periodic reports — Requests for interim payments**

Not applicable

### **16.4 Final report — Request for payment of the balance**

The coordinator must submit — within 60 days following the end of the reporting period — a final report, which includes the request for payment of the balance.

The **final report** must include the following:

(a) a ‘**final technical report**’ containing:

- (i) an **explanation of the work carried out** by the partners;
- (ii) an **overview of the implementation** of the specific action, including milestones and deliverables identified in Annex 1.

This report must include explanations justifying the differences between work expected to be carried out in accordance with Annex 1 and that actually carried out.

The report must also detail the exploitation and dissemination of the results and — if required in Annex 1 — an updated ‘**plan for the exploitation and dissemination of the results**’;

(iii) a **summary** for publication by the Agency;

(iv) the answers to the ‘**questionnaire**’, covering issues related to the action implementation and the economic and societal impact, notably in the context of the Horizon 2020 key performance indicators and the Horizon 2020 monitoring requirements;

(b) a ‘**final financial report**’ containing:



- (i) an **‘individual financial statement’** (see Annex 3) from each partner and from each linked third party, for the reporting period.

The individual financial statement must detail the eligible costs (actual costs, unit costs, flat-rate costs; see Article 5) for each budget category (see Annex 2).

The partners and linked third parties must declare all eligible costs, even if — for actual costs, unit costs and flat-rate costs — they exceed the amounts indicated in the estimated budget (see Annex 2). Amounts which are not declared in the individual financial statement will not be taken into account by the Agency.

The individual financial statement must also detail the **receipts of the specific action** (see Article 4.3.3).

Each partner and each linked third party must **certify** that:

- the information provided is full, reliable and true;
- the costs declared are eligible (see Article 5);
- the costs can be substantiated by adequate records and supporting documentation (see Article 23 FPA) that will be produced upon request (see Article 22 FPA) or in the context of checks, reviews, audits and investigations (see Article 27 FPA), and
- that all the receipts have been declared (see Article 4.3.3);

- (ii) an **‘explanation of the use of resources’** and the information on subcontracting (see Article 11) and in-kind contributions provided by third parties (see Articles 9, 10) from each partner and from each linked third party, for the reporting period;

(iii) not applicable;

- (iv) a **‘final summary financial statement’**, created automatically by the electronic exchange system, consolidating the individual financial statements and including the request for payment of the balance and

- (v) a **‘certificate on the financial statements’** (drawn up in accordance with Annex 4) for each partner and for each linked third party, if it requests a total contribution of EUR 325 000 or more, as reimbursement of actual costs and unit costs calculated on the basis of its usual cost accounting practices (see Article 4.2 and 5.2.A).

## **16.5 Information on cumulative expenditure incurred**

Not applicable

## **16.6 Currency for financial statements and conversion into euro**

Financial statements must be drafted in euro.

Partners and linked third parties with accounting established in a currency other than the euro must convert the costs recorded in their accounts into euro, at the average of the daily exchange rates published in the C series of the *Official Journal of the European Union*, calculated over the corresponding reporting period.

If no daily euro exchange rate is published in the *Official Journal of the European Union* for the currency in question, they must be converted at the average of the monthly accounting rates published on the Commission's website calculated over the corresponding reporting period.

Partners and linked third parties with accounting established in euro must convert costs incurred in another currency into euro according to their usual accounting practices.

### **16.7 Language of reports**

The reports (technical and financial report, including financial statements) must be submitted in the language of the Specific Agreement.

### **16.8 Consequences of non-compliance**

If the report submitted does not comply with this Article, the Agency may suspend the payment deadline (see Article 45 FPA) and apply any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

If the coordinator breaches its obligation to submit the report and if it fails to comply with this obligation within 30 days following a written reminder, the Agency may terminate the Specific Agreement (see Article 48 FPA) or apply any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 17 — PAYMENTS AND PAYMENT ARRANGEMENTS**

### **17.1 Payments to be made**

The following payments will be made to the coordinator:

- one **pre-financing payment**;
- one **payment of the balance**, on the basis of the request for payment of the balance (see Article 16).

### **17.2 Pre-financing payment — Amount — Amount retained for the Guarantee Fund**

The aim of the pre-financing is to provide the partners with a float.

It remains the property of the EU until the payment of the balance.

The amount of the pre-financing payment will be EUR **112,676.55** (one hundred and twelve thousand six hundred and seventy six EURO and fifty five eurocents).

The Agency will — except if Article 46 FPA applies — make the pre-financing payment to the coordinator within 30 days, either from the entry into force of the Specific Agreement (see Article 25) or from 10 days before the starting date of the specific action (see Article 3), whichever is the latest.

An amount of EUR **11,267.66** (eleven thousand two hundred and sixty seven EURO and sixty six eurocents), corresponding to 5% of the maximum grant amount (see Article 4.1), is retained by the Agency from the pre-financing payment and transferred into the '**Guarantee Fund**'.

### **17.3 Interim payments — Amount — Calculation**

Not applicable

#### **17.4 Payment of the balance — Amount — Calculation — Release of the amount retained for the Guarantee Fund**

The payment of the balance reimburses the remaining part of the eligible costs incurred by the partners for the implementation of the specific action.

If the total amount of earlier payments is greater than the final grant amount (see Article 4.3), the payment of the balance takes the form of a recovery (see Article 23).

If the total amount of earlier payments is lower than the final grant amount, the Agency will pay the balance within 90 days from receiving the final report (see Article 16), except if Articles 45 or 46 FPA apply.

Payment is subject to the approval of the final report. Its approval does not imply recognition of the compliance, authenticity, completeness or correctness of its content.

The **amount due as the balance** is calculated by the Agency by deducting the total amount of pre-financing already made, from the final grant amount determined in accordance with Article 4.3:

{final grant amount (see Article 4.3)  
minus  
{pre-financing made}}.

At the payment of the balance, the amount retained for the Guarantee Fund (see above) will be released and:

- if the balance is positive: the amount released will be paid in full to the coordinator together with the amount due as the balance;
- if the balance is negative (payment of the balance taking the form of recovery): it will be deducted from the amount released (see Article 23). If the resulting amount:
  - is positive, it will be paid to the coordinator
  - is negative, it will be recovered.

The amount to be paid may however be offset — without the partners' consent — against any other amount owed by a partner to the Agency, the Commission or another executive agency (under the EU or Euratom budget), up to the maximum EU contribution indicated, for that partner, in the estimated budget (see Annex 2).

#### **17.5 Notification of amounts due**

When making payments, the Agency will formally notify to the coordinator the amount due and specify the final grant amount.

In the case of reduction of the specific grant or recovery of undue amounts, the notification will be preceded by the contradictory procedure set out in Articles 22 and 23.

#### **17.6 Currency for payments**

The Agency will make all payments in euro.

### **17.7 Payments to the coordinator — Distribution to the partners**

Payments will be made to the coordinator.

Payments to the coordinator will discharge the Agency from its payment obligation.

The coordinator must distribute the payments between the partners without unjustified delay.

Pre-financing may however be distributed only:

- (a) if the minimum number of partners set out in the call for proposals has acceded to the Framework and Specific Agreement (see Article 54 FPA) and
- (b) to partners that have entered into the Specific Agreement (see Article 54 FPA).

### **17.8 Bank account for payments**

All payments will be made to the following bank account:

Name of bank: CASSA DI RISPARMIO DI FIRENZE S.P.A.

Address of branch: VIA BUFALINI, 4 FIRENZE, Italy

Full name of the account holder: PROMOFIRENZE AZIENDA SPECIALE DELLA CAMERA DI COMMERCIO DI FIRENZE

Full account number (including bank codes):

IBAN code: IT18X0616002800100000009951

### **17.9 Costs of payment transfers**

The cost of the payment transfers is borne as follows:

- the Agency bears the cost of transfers charged by its bank;
- the partner bears the cost of transfers charged by its bank;
- the party causing a repetition of a transfer bears all costs of the repeated transfer.

### **17.10 Date of payment**

Payments by the Agency are considered to have been carried out on the date when they are debited to its account.

### **17.11 Consequences of non-compliance**

17.11.1 If the Agency does not pay within the payment deadlines (see above), the partners are entitled to **late-payment interest** at the rate applied by the European Central Bank (ECB) for its main refinancing operations in euros ('reference rate'), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the payment deadline expires, as published in the C series of the *Official Journal of the European Union*.

If the late-payment interest is lower than or equal to EUR 200, it will be paid to the coordinator only upon request submitted within two months of receiving the late payment.

Late-payment interest is not due if all partners are EU Member States (including regional and local government authorities or other public bodies acting on behalf of a Member State for the purpose of the Framework Partnership Agreement and the Specific Agreement).

Suspension of the payment deadline or payments (see Articles 45 and 46 FPA) will not be considered as late payment.

Late-payment interest covers the period running from the day following the due date for payment (see above), up to and including the date of payment.

Late-payment interest is not considered for the purposes of calculating the final grant amount.

17.11.2 If the coordinator breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA) and the Specific Agreement or the participation of the coordinator may be terminated (see Article 48 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

### **SECTION 3 RIGHTS AND OBLIGATIONS RELATED TO PRE-EXISTING RIGHTS (BACKGROUND) AND RESULTS**

#### **SUBSECTION 1 GENERAL**

#### **ARTICLE 18 — MANAGEMENT OF INTELLECTUAL PROPERTY**

##### **18.1 Obligation to take measures to implement the Commission Recommendation on the management of intellectual property in knowledge transfer activities**

Partners that are universities or other public research organisations must take measures to implement the principles set out in Points 1 and 2 of the Code of Practice annexed to the Commission Recommendation on the management of intellectual property in knowledge transfer activities.<sup>9</sup>

This does not change the obligations set out in Subsections 2 and 3 of this Section.

The partners must ensure that third parties involved in the action are aware of them.

##### **18.2 Consequences of non-compliance**

If a partner breaches its obligations under this Article, the Agency may apply any of the measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

#### **SUBSECTION 2 RIGHTS AND OBLIGATIONS RELATED TO BACKGROUND**

#### **ARTICLE 18a — AGREEMENT ON BACKGROUND**

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<sup>9</sup> Commission Recommendation C (2008) 1329 of 10.4.2008 on the management of intellectual property in knowledge transfer activities and the Code of Practice for universities and other public research institutions attached to this recommendation.

### **18a.1 Agreement on background**

The partners must identify and agree (in writing) on the background for the specific action (**‘agreement on background’**).

**‘Background’** means any data, know-how or information held by any partner — whatever its form or nature (tangible or intangible), including any rights such as intellectual property rights — that:

- (a) is held by the partners before they entered into the Specific Agreement and
- (b) is needed to implement the specific action or exploit the results.

### **18a.2 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 18b — ACCESS RIGHTS TO BACKGROUND**

### **18b.1 Exercise of access rights — Waiving of access rights — No sub-licensing**

To exercise access rights, this must first be requested in writing (**‘request for access’**).

**‘Access rights’** means rights to use results or background under the terms and conditions laid down in this Agreement.

Waivers of access rights are not valid unless in writing.

Unless agreed otherwise, access rights do not include the right to sub-license.

### **18b.2 Access rights for other partners, for implementing their own tasks under the specific action**

The partners must give each other access — on a royalty-free basis — to background needed to implement their own tasks under the specific action, unless the partner that holds the background has — before entering into the Specific Agreement —:

- (a) informed the other partners that access to its background is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel), or
- (b) agreed with the other partners that access would not be on a royalty-free basis.

### **18b.3 Access rights for other partners, for exploiting their own results of the specific action**

The partners must give each other access — under fair and reasonable conditions — to background needed for exploiting their own results, unless the partner that holds the background has — before entering into the Specific Agreement — informed the other partners that access to its background is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel).

‘**Fair and reasonable conditions**’ means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged.

Request for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

#### **18b.4 Access rights for other partners, for other specific actions**

Not applicable

#### **18b.5 Access rights for affiliated entities**

Unless otherwise agreed in the consortium agreement, access to background must also be given — under fair and reasonable conditions (see above Article 18b.3) and unless it is subject to legal restrictions or limits, including those imposed by the rights of third parties (including personnel) — to affiliated entities<sup>10</sup> established in an EU Member State or ‘**associated country**’<sup>11</sup>, if this is needed to exploit the results generated by the partners to which they are affiliated.

Unless agreed otherwise (see above, Article 18b.1), the affiliated entity concerned must make the request directly to the partner that holds the background.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

#### **18b.6 Access rights for third parties**

Not applicable

#### **18b.7 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

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<sup>10</sup> For the definition, see Article 2.1(2) of the Rules for Participation Regulation No 1290/2013: ‘**affiliated entity**’ means any legal entity that is:

- under the direct or indirect control of a participant, or
- under the same direct or indirect control as the participant, or
- directly or indirectly controlling a participant.

‘Control’ may take any of the following forms:

- (a) the direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned, or of a majority of the voting rights of the shareholders or associates of that entity;
- (b) the direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.

However the following relationships between legal entities shall not in themselves constitute controlling relationships:

- (a) the same public investment corporation, institutional investor or venture-capital company has a direct or indirect holding of more than 50% of the nominal value of the issued share capital or a majority of voting rights of the shareholders or associates;
- (b) the legal entities concerned are owned or supervised by the same public body.

<sup>11</sup> For the definition, see Article 2.1(3) Rules for Participation Regulation No 1290/2013: ‘**associated country**’ means a third country (non-EU country) which is party to an international agreement with the Union, as identified in Article 7 of the H2020 Framework Programme Regulation No 1291/2013. Article 7 sets out the conditions for association of non-EU countries to Horizon 2020.

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

### **SUBSECTION 3 RIGHTS AND OBLIGATIONS RELATED TO RESULTS**

#### **ARTICLE 18c — OWNERSHIP OF RESULTS**

##### **18c.1 Ownership by the partner that generates the results**

Results are owned by the partner that generates them.

‘**Results**’ means any (tangible or intangible) output of the specific actions such as data, knowledge or information — whatever its form or nature, whether it can be protected or not — that is generated in the specific actions, as well as any rights attached to it, including intellectual property rights.

##### **18c.2 Joint ownership by several partners**

Two or more partners own results jointly if:

- (a) they have jointly generated them and
- (b) it is not possible to:
  - (i) establish the respective contribution of each partner, or
  - (ii) separate them for the purpose of applying for, obtaining or maintaining their protection (see Article 18d).

The joint owners must agree (in writing) on the allocation and terms of exercise of their joint ownership (**‘joint ownership agreement’**), to ensure compliance with their obligations under the Framework Partnership Agreement and the Specific Agreement.

Unless otherwise agreed in the joint ownership agreement, each joint owner may grant non-exclusive licences to third parties to exploit jointly-owned results (without any right to sub-license), if the other joint owners are given:

- (a) at least 45 days advance notice and
- (b) fair and reasonable compensation.

Once the results have been generated, joint owners may agree (in writing) to apply another regime than joint ownership (such as, for instance, transfer to a single owner (see Article 18g) with access rights for the others).

##### **18c.3 Rights of third parties (including personnel)**

If third parties (including personnel) may claim rights to the results, the partner concerned must ensure that it complies with its obligations under the Framework Partnership Agreement and the Specific Agreement.

If a third party generates results, the partner concerned must obtain all necessary rights (transfer,



licences or other) from the third party, in order to be able to respect its obligations as if those results were generated by the partner itself.

If obtaining the rights is impossible, the partner must refrain from using the third party to generate the results.

#### **18c.4 Agency ownership, to protect results**

**18c.4.1 The Agency may — with the consent of the partner concerned — assume ownership of the results to protect them, if a partner intends — up to four years after the period set out in Article 3 — to disseminate its results without protecting them, except in any of the following cases:**

- (a) the lack of protection is because protecting the results is not possible, reasonable or justified (given the circumstances);
- (b) the lack of protection is because there is a lack of potential for commercial or industrial exploitation, or
- (c) the partner intends to transfer the results to another partner or third party established in an EU Member State or associated country, which will protect them.

Before the results are disseminated and unless any of the cases above under Points (a), (b) or (c) applies, the partner must formally notify the Agency and at the same time inform it of any reasons for refusing consent. The partner may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the Agency decides to assume ownership, it will formally notify the partner concerned within 45 days of receiving notification.

No dissemination relating to these results may take place before the end of this period or, if the Agency takes a positive decision, until it has taken the necessary steps to protect the results

**18c.4.2 The Agency may — with the consent of the partner concerned — assume ownership of the results to protect them, if a partner intends — up to four years after the period set out in Article 3 — to stop protecting them or not to seek an extension of protection, except in any of the following cases:**

- (a) the protection is stopped because of a lack of potential for commercial or industrial exploitation;
- (b) an extension would not be justified given the circumstances.

A partner that intends to stop protecting results or not seek an extension must — unless any of the cases above under Points (a) or (b) applies — formally notify the Agency at least 60 days before the protection lapses or its extension is no longer possible and at the same time inform it of any reasons for refusing consent. The partner may refuse consent only if it can show that its legitimate interests would suffer significant harm.

If the Agency decides to assume ownership, it will formally notify the partner concerned within 45 days of receiving notification.

#### **18c.5 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to the any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 18d — PROTECTION OF RESULTS — VISIBILITY OF EU FUNDING**

### **18d.1 Obligation to protect the results**

Each partner must examine the possibility of protecting its results and must adequately protect them — for an appropriate period and with appropriate territorial coverage — if:

- (a) the results can reasonably be expected to be commercially or industrially exploited and
- (b) protecting them is possible, reasonable and justified (given the circumstances).

When deciding on protection, the partner must consider its own legitimate interests and the legitimate interests (especially commercial) of the other partners.

### **18d.2 EU and Agency ownership, to protect the results**

If a partner intends not to protect its results, to stop protecting them or not seek an extension of protection, the EU and the Agency may — under certain conditions (see Article 18c.4) — assume ownership to ensure their (continued) protection.

### **18d.3 Information on EU funding**

Applications for protection of results (including patent applications) filed by or on behalf of a partner must — unless the Agency requests or agrees otherwise or unless it is impossible — include the following:

“The project leading to this application has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement No 672792”.

### **18d.4 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such a breach may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 18e — EXPLOITATION OF RESULTS**

### **18e.1 Obligation to exploit the results**

Each partner must — up to four years after the period set out in Article 3 — take measures aiming to ensure ‘**exploitation**’ of its results (either directly or indirectly, in particular through transfer or licensing; see Article 18g) by:

- (a) using them in further research activities (outside the specific action);

- (b) developing, creating or marketing a product or process;
- (c) creating and providing a service, or
- (d) using them in standardisation activities.

## **18e.2 Results that could contribute to European or international standards — Information on EU Funding**

Not applicable

## **18e.3 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced in accordance with Article 41 FPA.

Such a breach may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 18f — DISSEMINATION OF RESULTS — OPEN ACCESS — VISIBILITY OF EU FUNDING**

### **18f.1 Obligation to disseminate results**

Unless it goes against their legitimate interests, each partner must — as soon as possible — ‘**disseminate**’ its results by disclosing them to the public by appropriate means (other than those resulting from protecting or exploiting the results), including in scientific publications (in any medium).

This does not change the obligation to protect results in Article 18d, the confidentiality obligations in Article 34 FPA or the obligations to protect personal data in Article 37 FPA, all of which still apply.

A partner that intends to disseminate its results must give advance notice to the other partners of — unless agreed otherwise — at least 45 days, together with sufficient information on the results it will disseminate.

Any other partner may object within — unless agreed otherwise — 30 days of receiving notification, if it can show that its legitimate interests in relation to the results or background would be significantly harmed. In such cases, the dissemination may not take place unless appropriate steps are taken to safeguard these legitimate interests.

If a partner intends not to protect its results, it may — under certain conditions (see Article 18c.4.1) — need to formally notify the Agency before dissemination takes place.

### **18f.2 Open access to scientific publications**

Not applicable

### **18f.3 Open access to research data**

Not applicable

### **18f.4 Information on EU funding — Obligation and right to use the EU emblem**

Unless the Agency requests or agrees otherwise or unless it is impossible, any dissemination of results (in any form, including electronic) must:

- (a) display the EU emblem and
- (b) include the following text:

“This project has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement No 672792”.

When displayed together with another logo, the EU emblem must have appropriate prominence.

For the purposes of their obligations under this Article, the partners may use the EU emblem without first obtaining approval from the Agency.

This does not however give them the right to exclusive use.

Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

#### **18f.5 Disclaimer excluding Agency's responsibility**

Any dissemination of results must indicate that it reflects only the author's view and that the Agency is not responsible for any use that may be made of the information it contains.

#### **18f.6 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such a breach may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

### **ARTICLE 18g — TRANSFER AND LICENSING OF RESULTS**

#### **18g.1 Transfer of ownership**

Each partner may transfer ownership of its results of the specific actions.

It must however ensure that its obligations under Articles 18c.2, 18c.4, 18d, 18e, 18f, 18g and 18h also apply to the new owner and that this owner has the obligation to pass them on in any subsequent transfer.

Unless agreed otherwise (in writing) for specifically-identified third parties or unless impossible under applicable laws on mergers and acquisitions, a partner that intends to transfer ownership of results must give at least 45 days advance notice (or less if agreed in writing) to the other partners that still have (or still may request) access rights to the results. This notification must include sufficient information on the new owner to enable any partner concerned to assess the effects on its access rights.

Unless agreed otherwise (in writing) for specifically-identified third parties, any other partner may object within 30 days of receiving notification (or less if agreed in writing), if it can show that the transfer would adversely affect its access rights. In this case, the transfer may not take place until agreement has been reached between the partners concerned.

## **18g.2 Granting licences**

Each partner may grant licences to its results of the specific actions (or otherwise give the right to exploit them), if this does not impede access rights (see Article 18h).

Moreover, exclusive licences for results may be granted only if all the other partners concerned have waived their access rights (see Article 18h).

This does not change the dissemination obligations in Article 18f, which still apply.

## **18g.3 Agency right to object to transfers or licensing**

Not applicable

## **18g.4 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such a breach may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **ARTICLE 18h — ACCESS RIGHTS TO RESULTS**

### **18h.1 Exercise of access rights — Waiving of access rights — No sub-licensing**

The conditions set out in Article 18b.1 apply.

### **18h.2 Access rights for other partners, for implementing their own tasks under the specific action**

The partners must give each other access — on a royalty-free basis — to results needed for implementing their own tasks under the specific action.

### **18h.3 Access rights for other partners, for exploiting their own results**

The partners must give each other — under fair and reasonable conditions (see Article 18b.3) — access to results needed for exploiting their own results.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

### **18h.4 Access rights for other partners, for other specific actions**

Not applicable

### **18h.5 Access rights of affiliated entities**

Unless agreed otherwise in the consortium agreement, access to results must also be given — under fair and reasonable conditions (see Article 18b.3) — to affiliated entities established in an EU Member State or associated country, if this is needed for those entities to exploit the results generated by the partners to which they are affiliated.

Unless agreed otherwise (see above Article 18h.1), the affiliated entity concerned must make any such request directly to the partner that owns the results.

Requests for access may be made — unless agreed otherwise — up to one year after the period set out in Article 3.

#### **18h.6 Access rights for the EU institutions and bodies and EU Member States**

The partners must give access to their results — on a royalty-free basis — to EU institutions, bodies, offices or agencies, for developing, implementing or monitoring EU policies or programmes.

Such access rights are limited to non-commercial and non-competitive use.

This does not change the right to use any material, document or information received from the partners for communication and publicising activities (see Article 36 FPA).

#### **18h.7 Access rights for third parties**

Not applicable

#### **18h.8 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

### **SECTION 4 OTHER RIGHTS AND OBLIGATIONS**

#### **ARTICLE 19 — CONFIDENTIALITY**

##### **19.1 General obligation to maintain confidentiality**

During implementation of the specific action and for four years after the period set out in Article 3, the parties must keep confidential any data, documents or other material (in any form) that is identified as confidential at the time it is disclosed (**‘confidential information’**).

If a partner requests, the Agency may agree to keep such information confidential for an additional period beyond the initial four years.

If information has been identified as confidential only orally, it will be considered to be confidential only if this is confirmed in writing within 15 days of the oral disclosure.

Unless otherwise agreed between the parties, they may use confidential information only to implement the Framework Partnership Agreement or the Specific Agreement.

The partners may disclose confidential information to their personnel or third parties involved in the specific action only if they:

- (a) need to know to implement the Framework Partnership Agreement or Specific Agreement and

(b) are bound by an obligation of confidentiality.

The Agency may disclose confidential information to its staff, other EU institutions and bodies. It may disclose confidential information to third parties, if:

- (a) this is necessary to implement the Framework Partnership Agreement or Specific Agreement or safeguard the EU's financial interests and
- (b) the recipients of the information are bound by an obligation of confidentiality.

Under the conditions set out in Article 4 of the Rules for Participation Regulation No 1290/2013<sup>12</sup>, the Commission must moreover make available information on the results to other EU institutions, bodies, offices or agencies as well as Member States or associated countries.

The confidentiality obligations no longer apply if:

- (a) the disclosing party agrees to release the other party;
- (b) the information was already known by the recipient or is given to him without obligation of confidentiality by a third party that was not bound by any obligation of confidentiality;
- (c) the recipient proves that the information was developed without the use of confidential information;
- (d) the information becomes generally and publicly available, without breaching any confidentiality obligation, or
- (e) the disclosure of the information is required by EU or national law.

## **19.2 Consequences of non-compliance**

If a partner breaches any of its obligations under this Article, the specific grant may be reduced (see Article 41 FPA).

Such breaches may also lead to any of the other measures described in Section 5 of Chapter 3 of the Framework Partnership Agreement.

## **CHAPTER 5 DIVISION OF PARTNERS' ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH COMPLEMENTARY BENEFICIARIES — RELATIONSHIP WITH PARTICIPANTS OF A JOINT ACTION**

### **ARTICLE 20 — DIVISION OF PARTNERS' ROLES AND RESPONSIBILITIES — RELATIONSHIP WITH COMPLEMENTARY BENEFICIARIES— RELATIONSHIP WITH PARTICIPANTS OF A JOINT ACTION**

#### **20.1 Relationship with complementary beneficiaries — Collaboration agreement**

Not applicable

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<sup>12</sup> Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for the participation and dissemination in “Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020)” (OJ L 347, 20.12.2013 p.81).

## 20.2 Relationship with partners of a joint action — Coordination agreement

Not applicable

## **CHAPTER 6 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS — DAMAGES — SUSPENSION — TERMINATION — FORCE MAJEURE**

### **ARTICLE 21 — REJECTION OF INELIGIBLE COSTS**

#### **21.1 Conditions**

The Agency will — after **termination of the participation of a partner, at the payment of the balance or afterwards** — reject any costs for a specific action which are ineligible (see Article 5), in particular, following checks, reviews, audits or investigations (see Article 27 FPA).

The rejection may also be based on the **extension of findings from other grants to a specific grant** (see Article 27.5.2 FPA).

#### **21.2 Ineligible costs to be rejected — Calculation — Procedure**

Ineligible costs will be rejected in full.

If the rejection of costs does not lead to a recovery (see Article 23), the Agency will formally notify the coordinator or partner concerned the rejection of costs, the amounts and the reasons why (if applicable, together with the notification of amounts due; see Article 26 FPA). The coordinator or partner concerned may — within 30 days of receiving notification — formally notify the Agency of its disagreement and the reasons why.

If the rejection of costs leads to a recovery, the Agency will follow the contradictory procedure with ‘pre-information letter’ set out in Article 23.

#### **21.3 Effects**

If the Agency rejects costs after **termination of the participation of a partner**, it will deduct them from the costs declared by the partner and its linked third parties in the termination report and include the rejection in the calculation after termination (see Article 24).

If the Agency rejects costs at the **payment of the balance**, it will deduct them from the total eligible costs declared, for the action, in the final summary financial statement (see Article 16). It will then calculate the payment of the balance (see Article 17).

If the Agency rejects costs **after the payment of the balance**, it will deduct the amount rejected from the total eligible costs declared, by the partner, in the final summary financial statement. It will then calculate the revised final grant amount as set out in Article 4.4. If the revised final grant amount for the partner concerned is lower than its share of the final grant amount, the Agency will recover the difference (see Article 23).



## ARTICLE 22 — REDUCTION OF THE GRANT

### 22.1 Conditions

The Agency may — **after termination of the participation of a partner, at the payment of the balance or afterwards** — reduce the grant, if:

- (a) a partner (or a natural person who has the power to represent or take decisions on its behalf) has committed:
  - (i) substantial errors, irregularities or fraud or
  - (ii) substantial breach of obligations under the Framework Partnership Agreement or the Specific Agreement or during the award procedure (including improper implementation of the specific action, submission of false information, failure to provide information, breach of ethical principles) or
- (b) a partner (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU or Euratom grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on the specific grant (**extension of findings from other grants to the specific grant**; see Article 27.5.2 FPA).

### 22.2 Amount to be reduced — Calculation — Procedure

The amount of the reduction will be proportionate to the seriousness of the errors, irregularities or fraud or breach of obligations.

Before reduction of the specific grant, the Agency will formally notify a ‘**pre-information letter**’ to the coordinator or partner concerned:

- informing it of its intention to reduce the grant, the amount it intends to reduce and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If the Agency does not receive any observations or decides to pursue reduction despite the observations it has received, it will formally notify **confirmation** of the reduction (if applicable, together with the notification of amounts due; see Article 17).

### 22.3 Effects

If the Agency reduces the grant after **termination of the participation of a partner**, it will calculate the reduced grant amount for that partner and then determine the amount due to that partner (see Article 24).

If the Agency reduces the specific grant **at the time of the payment of the balance**, it will calculate the reduced grant amount for the specific action and then determine the amount due as payment of the balance (see Articles 4.3.4 and 17).

If the Agency reduces the specific grant **after the payment of the balance**, it will calculate the revised final grant amount for the partner concerned (see Article 4.4). If the revised final grant amount for the partner concerned is lower than its share of the final grant amount, the Agency will recover the difference (see Article 23).

## ARTICLE 23 — RECOVERY OF UNDUE AMOUNTS

### 23.1 Amount to be recovered — Calculation — Procedure

The Agency will — after **termination of the participation of a partner, at the payment of the balance or afterwards** — claim back any amount that was paid, but is not due for the specific grant under the Framework Partnership Agreement and the Specific Agreement.

Each partner's financial responsibility in case of recovery is limited to its own debt (including undue amounts paid by the Agency for costs declared by its linked third parties), except for the amount retained for the Guarantee Fund (see Article 17).

#### 23.1.1 Recovery after termination of a partner's participation

If recovery takes place after termination of a partner's participation (including the coordinator), the Agency will claim back the undue amount from the partner concerned by formally notifying it a debit note (see Article 24 FPA). This note will specify the amount to be recovered, the terms and the date for payment.

If payment is not made by the date specified in the debit note, the Agency or the Commission will recover the amount as follows:

- (a) by '**offsetting**' it — without the partner's consent — against any amounts owed to the partner concerned by the Agency or the Commission or another executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU's financial interests, the Agency may offset before the payment date specified in the debit note;

- (b) not applicable;

- (c) by **taking legal action** (see Article 55 FPA) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date specified in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 17, from the day following the payment date in the debit note, up to and including the date the Agency or the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the partner, unless Directive 2007/64/EC<sup>13</sup> applies.

#### 23.1.2 Recovery at payment of the balance

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<sup>13</sup> Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (OJ L 319, 05.12.2007, p. 1).

If the payment of the balance takes the form of a recovery (see Article 17), the Agency will formally notify a **‘pre-information letter’** to the coordinator:

- informing it of its intention to recover, the amount due as the balance and the reasons why;
- specifying that it intends to deduct the amount to be recovered from the amount retained for the Guarantee Fund;
- requesting the coordinator to submit a report on the distribution of payments to the partners within 30 days of receiving notification, and
- inviting the coordinator to submit observations within 30 days of receiving notification.

If no observations are submitted or the Agency decides to pursue recovery despite the observations it has received, it will **confirm recovery** (together with the notification of amounts due; see Article 17) and:

- pay the difference between the amount to be recovered and the amount retained for the Guarantee Fund, **if the difference is positive** or
- formally notify to the coordinator a **debit note** for the difference between the amount to be recovered and the amount retained for the Guarantee Fund, **if the difference is negative**. This note will also specify the terms and the date for payment.

If the coordinator does not repay the Agency by the date in the debit note and has not submitted the report on the distribution of payments: the Agency or the Commission will **recover** the amount set out in the debit note from the coordinator (see below).

If the coordinator does not repay the Agency by the date in the debit note, but has submitted the report on the distribution of payments: the Agency will

(a) identify the partners for which the amount calculated as follows is negative:

{{{partner’s costs declared in the final summary financial statement and approved by the Agency multiplied by the reimbursement rate set out in Article 4 for the partner concerned

plus

its linked third parties’ costs declared in the final summary financial statement and approved by the Agency multiplied by the reimbursement rate set out in Article 4 for each linked third party concerned

divided by

the EU contribution for the action calculated according to Article 4.3.1}

multiplied by

the final grant amount (see Article 4.3)},

minus

{pre-financing received by the partner}}.

(b) formally notify to each partner identified according to point (a) a **debit note** specifying the terms and date for payment. The amount of the debit note is calculated as follows:

{{amount calculated according to point (a) for the partner concerned

divided by

the sum of the amounts calculated according to point (a) for all the partners identified according to point (a)}  
multiplied by  
the amount set out in the debit note formally notified to the coordinator}.

If payment is not made by the date specified in the debit note, the Agency will **recover** the amount:

- (a) by **offsetting** it — without the partner’s consent — against any amounts owed to the partner concerned by the Agency, the Commission or another executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU’s financial interests, the Agency may offset before the payment date specified in the debit note;

- (b) by **drawing on the Guarantee Fund**. The Agency or the Commission will formally notify the partner concerned the debit note on behalf of the Guarantee Fund and recover the amount:

(i) not applicable;

(ii) by **taking legal action** (see Article 55 FPA) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 17, from the day following the payment date in the debit note, up to and including the date the Agency or the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the partner, unless Directive 2007/64/EC applies.

### 23.1.3 Recovery of amounts after payment of the balance

If, for a partner, the revised final grant amount (see Article 4.4) is lower than its share of the final grant amount, it must repay the difference to the Agency.

The partner’s share of the final grant amount is calculated as follows:

{{{partner’s costs declared in the final summary financial statement and approved by the Agency multiplied by the reimbursement rate set out in Article 4 for the partner concerned

plus

its linked third parties’ costs declared in the final summary financial statement and approved by the Agency multiplied by the reimbursement rate set out in Article 4 for each linked third party concerned

}

divided by

the EU contribution for the action calculated according to Article 4.3.1}

multiplied by

the final grant amount (see Article 4.3)}.

If the coordinator has not distributed amounts received as payment of the balance (see Article 17), the Commission will also recover these amounts.

The Agency will formally notify a **pre-information letter** to the partner concerned:

- informing it of its intention to recover, the due amount and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If no observations are submitted or the Agency decides to pursue recovery despite the observations it has received, it will **confirm** the amount to be recovered and formally notify to the partner concerned a **debit note**. This note will also specify the terms and the date for payment.

If payment is not made by the date specified in the debit note, the Agency will **recover** the amount:

- (a) by **offsetting** it — without the partner's consent — against any amounts owed to the partner concerned by the Agency, the Commission or another executive agency (from the EU or Euratom budget).

In exceptional circumstances, to safeguard the EU's financial interests, the Agency may offset before the payment date specified in the debit note;

- (b) by **drawing on the Guarantee Fund**. The Agency or the Commission will formally notify the partner concerned the debit note on behalf of the Guarantee Fund and recover the amount:

- (i) not applicable;

- (ii) by **taking legal action** (see Article 55 FPA) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 17, from the day following the date for payment in the debit note, up to and including the date the Agency or the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the partner, unless Directive 2007/64/EC applies.

## **ARTICLE 24 — EFFECTS OF THE TERMINATION OF THE PARTICIPATION OF ONE OR MORE PARTNERS**

### **24.1 Effects of the termination of the participation of one or more partners, by the partners**

The effects of the termination of the participation of one or more partners (by the partners) are as follows:

The coordinator must — within 30 days from when termination takes effect — submit:

- (i) a report on the distribution of payments to the partner concerned and

- (ii) if termination takes effect during the period set out in Article 3, a ‘**termination report**’ from the partner concerned, for the reporting period until termination, containing an overview of the progress of the work, an overview of the use of resources, the individual financial statement and, if applicable, the certificate on the financial statement (see Article 16).

The information in the termination report must also be included in the final report (see Article 16).

If the request for amendment is rejected by the Agency (because it calls into question the decision awarding the specific grant or breaches the principle of equal treatment of applicants), the Specific Agreement may be terminated according to Article 48.3.1(c) FPA.

If the request for amendment is accepted by the Agency, the Specific Agreement is **amended** to introduce the necessary changes (see Article 53 FPA).

The Agency will — on the basis of the termination report and the report on the distribution of payments — calculate the amount which is due to the partner and if the (pre-financing) payment received by the partner exceeds this amount.

The **amount which is due** is calculated in the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs

The grant amount for the partner is calculated by applying the reimbursement rate(s) to the total eligible costs declared by the partner and its linked third parties in the termination report and approved by the Agency.

Only costs incurred by the partner concerned until termination takes effect are eligible (see Article 5 SGA). Costs relating to contracts due for execution only after termination are not eligible.

Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations

In case of a reduction (see Article 41 FPA), the Agency will calculate the reduced grant amount for the partner by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 41.2 FPA) from the grant amount for the partner.

If the payments received **exceed the amounts due**:

- if termination takes effect during the period set out in Article 3 and the request for amendment is accepted, the partner concerned must repay to the coordinator the amount unduly received. The Agency will formally notify the amount unduly received and request the partner concerned to repay it to the coordinator within 30 days of receiving notification. If it does not repay the coordinator, the Agency will draw upon the Guarantee Fund to pay the coordinator and then notify a **debit note** on behalf of the Guarantee Fund to the partner concerned (see Article 23);
- in all other cases (in particular if termination takes effect after the period set out in Article 3), the Agency will formally notify a **debit note** to the partner concerned. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the Agency the amount due and the Agency will notify a debit note on behalf of the Guarantee Fund to the partner concerned (see Article 23);

If the payments received **do not exceed the amounts due**: amounts owed to the partner concerned will be included in the final payment.

If the Agency does not receive the termination report within the deadline (see above), no costs will be taken into account.

If the Agency does not receive the report on the distribution of payments within the deadline (see above), it will consider that:

- the coordinator did not distribute any payment to the partner concerned, and that
- the partner concerned must not repay any amount to the coordinator.

Improper termination may lead to a reduction of the specific grant (see Article 41 FPA) or termination of the Specific Agreement (see Article 48 FPA).

After termination, the concerned partner's obligations (in particular Articles 25, 27, 28, 34, 36, 38 FPA and Articles 18 to 18h SGA) continue to apply.

## **24.2 Effects of the termination of the participation of one or more partners, by the Agency**

The effects of the termination of the participation of one or more partners (by the Agency) are as follows:

The coordinator must — within 60 days from when termination takes effect — submit:

- (i) a report on the distribution of payments to the partner concerned;
- (ii) a request for amendment (see Article 53 FPA), with a proposal for reallocation of the tasks and estimated budget of the partner concerned (see Annexes 1 and 2) and, if necessary, the addition of one or more new partners (see Article 54 FPA). If termination is notified after the period set out in Article 3, no request for amendment must be submitted unless the partner concerned is the coordinator. In this case the request for amendment must propose a new coordinator, and
- (iii) if termination takes effect during the period set out in Article 3, a **termination report** from the partner concerned, for the reporting period until termination, containing an overview of the progress of the work, an overview of the use of resources, the individual financial statement and, if applicable, the certificate on the financial statement (see Article 16);

The information in the termination report must also be included in the final report (see Article 16).

If the request for amendment is rejected by the Agency (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the Specific Agreement may be terminated according to Article 48.3.1(c) FPA.

If the request for amendment is accepted by the Agency, the Specific Agreement is **amended** to introduce the necessary changes (see Article 53 FPA).

The Agency will — on the basis of the termination report and the report on the distribution of payments — calculate the amount which is due to the partner and if the (pre-financing) payment received by the partner exceeds this amount.

The **amount which is due** is calculated in the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs

The grant amount for the partner is calculated by applying the reimbursement rate(s) to the total

eligible costs declared by the partner and its linked third parties in the termination report and approved by the Agency.

Only costs incurred by the partner concerned until termination takes effect are eligible (see Article 5 SGA). Costs relating to contracts due for execution only after termination are not eligible.

Step 2 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations

In case of a reduction (see Article 43), the Agency will calculate the reduced grant amount for the partner by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 43.2) from the grant amount for the partner.

If the payments received **exceed the amounts due**:

- if termination takes effect during the period set out in Article 3 and the request for amendment is accepted, the partner concerned must repay to the coordinator the amount unduly received. The Agency will formally notify the amount unduly received and request the partner concerned to repay it to the coordinator within 30 days of receiving notification. If it does not repay the coordinator, the Agency will draw upon the Guarantee Fund to pay the coordinator and then notify a debit note on behalf of the Guarantee Fund to the partner concerned (see Article 23);
- in all other cases, in particular if termination takes effect after the period set out in Article 3, the Agency will formally notify a debit note to the partner concerned. If payment is not made by the date in the debit note, the Guarantee Fund will pay to the Agency the amount due and the Agency will notify a debit note on behalf of the Guarantee Fund to the partner concerned (see Article 23).

If the payments received **do not exceed the amounts due**: amounts owed to the partner concerned will be included in the final payment.

If the Agency does not receive the termination report within the deadline (see above), no costs will be taken into account.

If the Agency does not receive the report on the distribution of payments within the deadline (see above), it will consider that:

- the coordinator did not distribute any payment to the partner concerned, and that
- the partner concerned must not repay any amount to the coordinator.

After termination, the concerned partner's obligations (in particular Articles 25, 27, 28, 34, 36, 38 FPA and Articles 18 to 18h SGA) continue to apply

## **CHAPTER 7 FINAL PROVISIONS**



**ARTICLE 25 — ENTRY INTO FORCE OF THE SPECIFIC AGREEMENT**

The Specific Agreement will enter into force on the day of signature by the Agency or the coordinator, depending on which is later.

**SIGNATURES**

For the coordinator

For the Agency



**EUROPEAN COMMISSION**  
Executive Agency for Small and Medium-sized Enterprises  
(EASME)  
COSME



## **ANNEX 1 (part A)**

**Specific Grant Agreement Enterprise Europe Network (EEN)**

**NUMBER — 672792 — I-KAM2EU**

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# 1.1. The project summary

Project Number <sup>1</sup>	672792	Project Acronym <sup>2</sup>	I-KAM2EU
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## One form per project

### General information

Project title <sup>3</sup>	enhancing Innovation and Key Account Management by sme2EU
Starting date <sup>4</sup>	01/01/2015
Duration in months <sup>5</sup>	24
Call (part) identifier <sup>6</sup>	H2020-Adhoc-2014-20
Topic	INNOVATION Enhancing the innovation management capacity of SMEs
Fixed EC Keywords	
Free keywords	innovation management, SME, assessment, improvement, sustainable growth, Enterprise Europe Network, SME instrument, coaching

### Abstract <sup>7</sup>

The proposal aims at providing the two new Enterprise Europe Network services: 1) Enhancing SME's Innovation Management Capacity (EIMC) for innovating SMEs, and 2) Key Account Management (KAM) for SME Instrument beneficiaries in the three Italian regions covered by the EEN consortium "SME2EU": Tuscany, Marche and Umbria. These new services will be provided in an additional but integrated way to the usual EEN activities related to the SME competitiveness and innovation. The objective of the I-KAM2EU proposal is to improve the innovation management capacity of SMEs in order to enhance their competitiveness. The establishment of an internal innovation management system will allow the SMEs to become more innovative and to achieve more success with their product, service and process. This would foster SME's results, value and competitiveness. SMEs are often not able to adequately develop their management innovation systems and there are no local available services that help them to go in this direction. The proposal will establish services to make available the opportunity for a SME to have a rational and structured support to develop and maintain an internal innovation management system. Moreover, I-KAM2EU will support the SME Instrument beneficiaries to enhance the probability of successful exploitation of their project and to leave a footprint for their future sustainable growth. The EICM service is targeted to a number of selected SMEs who are developing innovative products or services and with high potential for international competitiveness, but who have poor knowledge or skills or ability to manage the innovation processes. The partners agreed to make use of "IMP<sup>3</sup>rove" as core tool for the assessment phase of the service. The KAM service is reserved to SME Instrument Phase 1 or Phase 2 beneficiaries located in the three Italian regions covered by the proposal. I-KAM2EU will provide 83 EIMC and 13 KAM services for a total of 96 services in 2015-2016.

## 1.2. List of Beneficiaries

Project Number <sup>1</sup>	672792	Project Acronym <sup>2</sup>	I-KAM2EU
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### List of Beneficiaries

No	Name	Short name	Country	Project entry date <sup>8</sup>	Project exit date
1	PROMOFIRENZE AZIENDA SPECIALE DELLACAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI FIRENZE	METROPOLI	Italy		
2	CONFINDUSTRIA TOSCANA	Confindustria Toscana	Italy		
3	EUROSPORTELLO CONFESERCENTI	Eurosportello Confesercenti	Italy		
4	CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO	CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO	Italy		
5	ASSOCIAZIONE COMPAGNIA DELLE OPERE DI PESARO	Compagnia delle Opere Pesaro Urbino	Italy		
6	CENTRO PER LA PROMOZIONE DELL INTERNAZIONALIZZAZIONE DELLE IMPRESE UMBRE	CENTROESTEROMBRIA	Italy		15/04/2016
7	SOCIETA REGIONALE PER LO SVILUPPO ECONOMICO DELL UMBRIA - SVILUPPUMBRIA SPA	SVILUPPUMBRIA SPA	Italy		

## 1.3. Workplan Tables - Detailed implementation

### 1.3.1. WT1 List of work packages

WP Number <sup>9</sup>	WP Title	Lead beneficiary <sup>10</sup>	Person-months <sup>11</sup>	Start month <sup>12</sup>	End month <sup>13</sup>
WP1	Enhancing Innovation Management Capacity	3 - Eurosportello Confesercenti	33.20	1	24
WP2	Key Account Management	2 - Confindustria Toscana	5.20	1	24
<b>Total</b>			38.40		

### 1.3.2. WT2 list of deliverables

<b>Deliverable Number<sup>14</sup></b>	<b>Deliverable Title</b>	<b>WP number<sup>9</sup></b>	<b>Lead beneficiary</b>	<b>Type<sup>15</sup></b>	<b>Dissemination level<sup>16</sup></b>	<b>Due Date (in months)<sup>17</sup></b>
D1.1	Report on EIMC services distribution	WP1	3 - Eurosportello Confesercenti	Report	Confidential, only for members of the consortium (including the Commission Services)	18
D1.2	EIMC service packages report	WP1	3 - Eurosportello Confesercenti	Report	Confidential, only for members of the consortium (including the Commission Services)	24
D2.1	Report on KAM services distribution	WP2	2 - Confindustria Toscana	Report	Confidential, only for members of the consortium (including the Commission Services)	18
D2.2	KAM service packages report	WP2	2 - Confindustria Toscana	Report	Confidential, only for members of the consortium (including the Commission Services)	24

### 1.3.3. WT3 Work package descriptions

<b>Work package number</b> <sup>9</sup>	WP1	<b>Lead beneficiary</b> <sup>10</sup>	3 - Eurosportello Confesercenti
<b>Work package title</b>	Enhancing Innovation Management Capacity		
<b>Start month</b>	1	<b>End month</b>	24

#### Objectives

- to assess the state of the art of innovation management system in SME, and to foster them to implement an improvement plan
- to improve the innovation management system of SMEs to boost their competitiveness

#### Description of work and role of partners

##### **WP1 - Enhancing Innovation Management Capacity** [Months: 1-24]

**Eurosportello Confesercenti**, Confindustria Toscana, CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO, Compagnia delle Opere Pesaro Urbino, CENTROESTEROMBRIA, SVILUPPUMBRIA SPA

WorkPackage Leader: EUC

Partners involved: AP, CDO, CT, CEU, SVIL: as KAM support supplier

PF: as project coordinator

The Enhancing SME Innovation Management Capacity service is aimed at SMEs located in Marche, Tuscany and Umbria, developing innovative products or services and with high potential for international competitiveness, but having poor knowledge or skills or ability to manage the innovation processes. The objective is to empower such SMEs by helping them to unlock their potential through better management of the innovation system.

Because the service packages provided under the project will be limited to 83, a selection of SME candidates will be made to ensure effective use of the available funding resource. The selection criteria and constraints will be widely publicised (by the SME2EU web-site and others media) to all the potential interested SMEs to provide a fully transparent framework of the rules of the game.

Specific selection criteria will be defined starting from the following topics:

- at least 5 on staff headcount
- started at least 3 years previously
- SME with innovative product/service/process
- SME with high potential for internationalisation
- SME operating in the enabling technology of Horizon 2020 – LEIT

Moreover, the choice must respect the geographical distribution of the expected total number of services between the three regions.

The WP2 involves the provision of 83 Enhancing SME Innovation Management Capacity services and some steps to coordinate the participants' activities

##### T1.1 EIMC services

Task leader: EUC

Partners involved: AP, CDO, CT, CEU, SVIL

The task aims to select the target SMEs following the above defined criteria and to provide the EIMC services, to:

- carry out innovation management capacity assessments using agreed methodologies
- interpret the assessment results and propose a related action plan addressing the main bottlenecks
- provide or give access to targeted and tailored support according to the action plan to help the SME increase its innovation management capacities
- initiate and guide the next appropriate steps.

The main goal is to improve the SME's potential for international growth, foster their skills to follow innovation process, to package innovative products and to design a tailored action plan. The objective of the activity is to make the company's innovation system, as defined by the CEN/TS 16555-1 standard, more efficient and effective. This includes the full innovation process from idea generation to market introduction and generation of economic return. The general practices and skills of the company for external cooperation for innovation are an integral part of the analysis. Based on an action



plan agreed with the client, the I-KAM2EU advisor shall address some or all identified bottlenecks and/or accompany and supervise the work of other public or private sector consultants addressing these bottlenecks.

The services are provided by very qualified senior member of a SME2EU – EEN host organisation with proven experience in the provision of business and innovation support, strong understanding / proven knowledge of the concept of innovation management, trained on the use of the IMP3rove tool and methodology. Their selection took into account the requirements established in the call and the need to ensure an adequate geographical and sectoral coverage.

The EEN senior professionals will provide a comprehensive picture of the company's Innovation Management performance and thus also valuable information on the future competitiveness and growth potential of the company through the use of the IMP<sup>3</sup>rove Assessment tool. They will carry out an audit of the identified beneficiaries in order to develop and implement a customized action plan to improve their capacity, to manage innovation process, to cut down the lack of innovation changes skills.

The promotion of the service will be made inside the EEN standard activities by SME2EU consortium.

The selected SMEs must be able to provide real benefit in terms of jobs, growth and European economic impact. Beneficiaries will be provided with an in-depth analysis of their innovation management profile, which will highlight the gap between their innovation capabilities and goals. A tailored action plan will be developed showing how to close the gap, which will also outline related support services that can be used to address any relevant issues.

The Enhancing SME Innovation Management Capacity service includes the following activities.

- First contact with the SME to present the value propositions of EIMC service, and its process and its outputs.
- Prepare the assessment, asking the company to prepare the needed data.
- Assist the company in the execution of the assessment of its current status of the innovation management system in the SME, using the 47 questions IMP<sup>3</sup>rove questionnaire about the 5 dimensions of innovation by the A.T.Kearney's "House of Innovation": strategy, organisation and culture, life cycle management, enabling factors, results. Define the growth champions to be used in the benchmarking
- Benchmark report analysis: identification of the most significant strengths and weakness of the SME, validation of the report and develop of a presentation aligned to the ambition and objectives of the SME
- Design and organisation of the IMP<sup>3</sup>rove feedback workshop to present and discuss the results with the SME, providing an outlook of what the next steps should be to enhance the SME's performance
- Detail the action plan. Starting from the gaps analysis, definition of an action plan to improve the Innovation Management System. Agree on objectives and deliverables (measurable and with a clear impact on the SME's business performance) with the SME. Define activities, timelines, roles and responsibilities, tools and budget.
- Monitoring the action plan. Checking of the implementation progress. Preparing a report summarizing the results
- Assess the improvement. Analysis of the achievement's impact on the SME's business performance to demonstrate the impact of the EIMC service. Organisation of the formal final meeting to present and discuss the final report

The EIMC service delivery is divided into five stages (as 7-day packages):

0. assess SME's suitability for the service (as standard EEN service – unquantified here)
1. assess actual innovation management capacity (0.5 days)
2. needs/gaps analysis and action plan development (1 day)
3. action plan monitoring (5 days)
4. final report and closing the service (0.5 days)

As a rule of thumb, this process should be delivered within a 12 month period. It is considered that a typical service delivery will take seven days, but this may vary slightly from case to case.

A periodic report for the monitoring of the services will be implemented. It includes:

- the list of companies supported,
- a short overview on the single company reports,
- in case of a not-completed service, a forecast of the timing of the missing step.

T1.2 EIMC coordination (M6 – M24)

Task leader: PF

Partners involved: AP, CDO, CT, EUC, CEU, SVIL

The task aims to plan and monitor (every six months) the distribution of KAM services among the 3 regions and between the 2 partners providing the service in each region.

The initial allocation is the following:

Region / Partner n° EIMC service

Tuscany 35

PF 0  
 CT 17  
 EUC 18  
 Marche 26  
 AP 13  
 CDO 13  
 Umbria 22  
 CEU 9  
 SVIL 13  
 TOTAL 83

PF does not provide EIMC services.

PF, as project coordinator, will manage the activities of the task and verify the compliance of partners' activities with foreseen targets. If it might be useful to change the allocation of the number of services, the Steering Committee will be convened.

Any partner's need for additional staff training and the IMP3rove licensing will be periodically evaluated and managed by the Steering Committee.

### Participation per Partner

Partner number and short name	WP1 effort
2 - Confindustria Toscana	6.80
3 - Eurosportello Confesercenti	7.20
4 - CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO	0.00
Piceno Promozione	5.20
5 - Compagnia delle Opere Pesaro Urbino	5.20
6 - CENTROESTEROUMBRIA	3.60
7 - SVILUPPUMBRIA SPA	5.20
<b>Total</b>	33.20

### List of deliverables

Deliverable Number <sup>14</sup>	Deliverable Title	Lead beneficiary	Type <sup>15</sup>	Dissemination level <sup>16</sup>	Due Date (in months) <sup>17</sup>
D1.1	Report on EIMC services distribution	3 - Eurosportello Confesercenti	Report	Confidential, only for members of the consortium (including the Commission Services)	18
D1.2	EIMC service packages report	3 - Eurosportello Confesercenti	Report	Confidential, only for members of the consortium (including the Commission Services)	24

### Description of deliverables

- D1.1 Report on EIMC services distribution (M6, M12, M18)

• D1.2 EIMC service packages report (M24)

D1.1 : Report on EIMC services distribution [18]

Report on EIMC services distribution between partners. It is updated every six months: on M6, M12 and M18.

D1.2 : EIMC service packages report [24]

Final report on EIMC service packages provided

**Schedule of relevant Milestones**

<b>Milestone number<sup>18</sup></b>	<b>Milestone title</b>	<b>Lead beneficiary</b>	<b>Due Date (in months)</b>	<b>Means of verification</b>
MS1	Forecast of 7-day package at mid-term	1 - METROPOLI	12	Evaluation by the Steering Committee of the analysis by each partner about: <ul style="list-style-type: none"> <li>• concluded packages,</li> <li>and • active and shortly activable packages with which probability to be close in the project</li> </ul>

<b>Work package number</b> <sup>9</sup>	WP2	<b>Lead beneficiary</b> <sup>10</sup>	2 - Confindustria Toscana
<b>Work package title</b>	Key Account Management		
<b>Start month</b>	1	<b>End month</b>	24

### Objectives

- to support SME Instrument beneficiaries to exploit their potential for growth and job creation, and become market leader
- to facilitate the interaction between SME and coach in the SME Instrument Phase 1 and/or Phase 2 project implementation

### Description of work and role of partners

#### **WP2 - Key Account Management** [Months: 1-24]

**Confindustria Toscana**, Eurosportello Confesercenti, CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO, Compagnia delle Opere Pesaro Urbino, CENTROESTEROMBRIA, SVILUPPUMBRIA SPA

WorkPackage Leader: CT

Partners involved: AP, CDO, EUC, CEU, SVIL: as KAM support supplier

PF: as project coordinator

The Key Account Management is the service to help the successful applicants in Marche, Tuscany and Umbria to the SME Instrument Phase 1 and/or Phase 2 to support the SME to enhance the probability of successful exploitation of its project and to leave a footprint for the future sustainable growth of the beneficiary.

The service is provided by qualified personnel: the KAMs (Key Account Managers).

The I-KAM2EU's KAMs are highly qualified and have a proved track record in providing value-adding support services in innovation management assessment. The selection took into account the requirements established in the call and the need to ensure an adequate geographical and sectoral coverage.

The KAM aims to:

- help the SME identify and select the right coach for the company
- facilitate the interaction between SME and coach
- navigate the SME successfully through the Phases of the SME Instrument project

WP2 involves the provision of 13 Key Account Management service packages for SME Instrument beneficiaries and some steps to coordinate among participants

#### T2.1 KAM services

Task leader: CT

Partners involved: AP, CDO, EUC, CEU, SVIL

The Key Account Management key activities are:

- Contact the SME beneficiary of an SME Instrument project. The candidate SME will be selected by I-KAM2EU partners upon receipt from EC of the list of regional SME Instrument Phase 1 and Phase 2 beneficiaries.

Receiving the SME Instrument beneficiaries list, for each of the three regions covered by the project, PF shall notify the names of the winner SMEs to the two partners who provide the KAM service in that region. The two partners will agree among themselves on the allocation of clients, based on previous contacts with the company and of fair distribution criteria.

- Introduce the concept of the coaching service and highlight the benefit of the service, focusing especially on the importance of Innovation Management as a driver of long-term competitiveness.
- Conduct a needs and weaknesses analysis with the SME to identify the areas of challenge within the business, which could prove a barrier to future profitable growth and to define the priority for coaching.
- Propose coaches with profiles matching the SME's needs and weaknesses and support the SME in the selection process that may analyse more categories: marketing, sales, human resources, strategy, organisational development, sources of idea, partnerships. The KAM will support the company in the selection of the most suitable coach among the profiles available on the EC database.
- Facilitate the relationship between coach and SME. The KAM facilitates the initial interaction between coach and SME, supporting the establishment of the coaching process, ensuring the proper delivery of the coaching. A good

relationship between KAM and coach is an important factor for the SME's project success. The KAM will actively follow such relationship with the overall objective to create the most effective environment for supporting the company and increasing the probability of successful commercialisation of the project output.

- Facilitate the communication flow with the European Commission
- Propose any additional relevant support available in the local innovation eco-system and suitable to the SMEs needs, managing
- Evaluate the coaching service to capture the benefits to the company, to value the SMEs satisfaction and identify next steps to help the SME on their growth path

To monitor and register the progress of the activity, the KAMs will use the Case Tracker tool provided by the Commission.

The 7-day package service is divided into five stages:

1. assess SME gaps and needs (0.5 day)
2. identification and selection of coach: (1 day)
3. facilitate coach-SME interactions to prepare coaching plan (1 day)
4. facilitate coach-SME-EASME interactions: (4 days)
5. close coaching case and initiate next steps: (0.5 day)

If the SME starts from the Phase 1 of the SME Instrument:

- the points 1, 2 and 3 are related to the Phase 1
- the points 4 and 5 are related to the Phase 2

Otherwise, if the SME starts from the Phase 2 of the SME Instrument:

- all five points are related to the Phase 2

The number of days given per step is indicative and may vary slightly from case to case. However, the overall balance (7 days) should be maintained.

As a rule of thumb, this process should be delivered within a 24 month period.

The number of 7-day service packages will depend by the number of SME Instrument beneficiaries in the three regions by first half of 2015, because the KAM will support SMEs throughout the entire life-cycle of an SME Instrument (Phase 1 + Phase 2). Even in the case the SME starts from Phase 2, the duration of its project (and then of the KAM support) is unlikely to be less than 18 months.

A periodic report for the monitoring of the services will be implemented. It includes:

- the list of companies supported,
- the list of coaches identified,
- a short overview on the single company reports,
- in case of a not completed service, a forecast of the timing of the missing step.

## T2.2 KAM coordination (M6 – M18)

Task leader: PF

Partners involved: AP, CDO, CT, EUC, CEU, SVIL

The task aims to plan and monitor (every six months) the distribution of KAM services among the 3 regions and between the 2 partners providing the service in each region.

The initial allocation is the following table:

Region / Partner KAM service n°

Tuscany 7

PF 0

CT 4

EUC 3

Marche 3

AP 1

CDO 2

Umbria 3

CEU 2

SVIL 1

TOTAL 13

PF will manage the activities of the task and if the can be useful to change the allocation of the number of services, the Steering Committee will be convene.

#### Participation per Partner

Partner number and short name	WP2 effort
2 - Confindustria Toscana	1.60
3 - Eurosportello Confesercenti	1.20
4 - CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO	0.00
Piceno Promozione	0.40
5 - Compagnia delle Opere Pesaro Urbino	0.80
6 - CENTROESTEROMBRIA	0.80
7 - SVILUPPUMBRIA SPA	0.40
<b>Total</b>	5.20

#### List of deliverables

Deliverable Number <sup>14</sup>	Deliverable Title	Lead beneficiary	Type <sup>15</sup>	Dissemination level <sup>16</sup>	Due Date (in months) <sup>17</sup>
D2.1	Report on KAM services distribution	2 - Confindustria Toscana	Report	Confidential, only for members of the consortium (including the Commission Services)	18
D2.2	KAM service packages report	2 - Confindustria Toscana	Report	Confidential, only for members of the consortium (including the Commission Services)	24

#### Description of deliverables

- D2.1 Report on KAM services distribution (M6, M12, M18)
- D2.2 KAM service packages report (M24)

D2.1 : Report on KAM services distribution [18]

Report on KAM services distribution between partners. It is updated every six months: on M6, M12 and M18.

D2.2 : KAM service packages report [24]

Final report on KAM service packages provided

**Schedule of relevant Milestones**

<b>Milestone number<sup>18</sup></b>	<b>Milestone title</b>	<b>Lead beneficiary</b>	<b>Due Date (in months)</b>	<b>Means of verification</b>
MS1	Forecast of 7-day package at mid-term	1 - METROPOLI	12	Evaluation by the Steering Committee of the analysis by each partner about: <ul style="list-style-type: none"> <li>• concluded packages,</li> <li>and • active and shortly activable packages with which probability to be close in the project</li> </ul>

### 1.3.4. WT4 List of milestones

Milestone number <sup>18</sup>	Milestone title	WP number <sup>9</sup>	Lead beneficiary	Due Date (in months) <sup>17</sup>	Means of verification
MS1	Forecast of 7-day package at mid-term	WP1, WP2	1 - METROPOLI	12	Evaluation by the Steering Committee of the analysis by each partner about: <ul style="list-style-type: none"> <li>• concluded packages,</li> <li>and • active and shortly activable packages with which probability to be close in the project</li> </ul>



### 1.3.5. WT5 Critical Implementation risks and mitigation actions

Risk number	Description of risk	WP Number	Proposed risk-mitigation measures
1	delays in the involvement of SME Instrument beneficiaries	WP2	I-KAM2EU cannot affect the timing of the acquisition SME Instrument beneficiaries. The Participants will promote the Instrument but the impact will be in the medium term. The target of delivered KAM services over two years will be pursued measuring a concept of “7-day package equivalent”, trying to start a number as high as possible, reporting the effective progress.
2	difficulties by one or some partners in engaging SMEs	WP1, WP2	Every six months, the Steering Committee will analyse the results and the forecasts of each partner. To ensure the achievement of the overall objectives of the project, it is possible to change the distribution of packages between the partners

### 1.3.6. WT6 Summary of project effort in person-months

	<b>WP1</b>	<b>WP2</b>	<b>Total Person/Months per Participant</b>
1 - METROPOLI	0	0	0
2 - Confindustria Toscana	6.80	1.60	8.40
3 - Eurosportello Confesercenti	7.20	1.20	8.40
4 - CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO	0	0	0
· Piceno Promozione	5.20	0.40	5.60
5 - Compagnia delle Opere Pesaro Urbino	5.20	0.80	6
6 - CENTROESTEROUMBRIA	3.60	0.80	4.40
7 - SVILUPPUMBRIA SPA	5.20	0.40	5.60
<b>Total Person/Months</b>	<b>33.20</b>	<b>5.20</b>	<b>38.40</b>

### *1.3.7. WT7 Tentative schedule of project reviews*

No project reviews indicated

### **1. Project number**

The project number has been assigned by the Commission as the unique identifier for your project. It cannot be changed. The project number **should appear on each page of the grant agreement preparation documents (part A and part B)** to prevent errors during its handling.

### **2. Project acronym**

Use the project acronym as given in the submitted proposal. It can generally not be changed. The same acronym **should appear on each page of the grant agreement preparation documents (part A and part B)** to prevent errors during its handling.

### **3. Project title**

Use the title (preferably no longer than 200 characters) as indicated in the submitted proposal. Minor corrections are possible if agreed during the preparation of the grant agreement.

### **4. Starting date**

Unless a specific (fixed) starting date is duly justified and agreed upon during the preparation of the Grant Agreement, the project will start on the first day of the month following the entry into force of the Grant Agreement (NB : entry into force = signature by the Commission). Please note that if a fixed starting date is used, you will be required to provide a written justification.

### **5. Duration**

Insert the duration of the project in full months.

### **6. Call (part) identifier**

The Call (part) identifier is the reference number given in the call or part of the call you were addressing, as indicated in the publication of the call in the Official Journal of the European Union. You have to use the identifier given by the Commission in the letter inviting to prepare the grant agreement.

### **7. Abstract**

### **8. Project Entry Month**

The month at which the participant joined the consortium, month 1 marking the start date of the project, and all other start dates being relative to this start date.

### **9. Work Package number**

Work package number: WP1, WP2, WP3, ..., WPn

### **10. Lead beneficiary**

This must be one of the beneficiaries in the grant (not a third party) - Number of the beneficiary leading the work in this work package

### **11. Person-months per work package**

The total number of person-months allocated to each work package.

### **12. Start month**

Relative start date for the work in the specific work packages, month 1 marking the start date of the project, and all other start dates being relative to this start date.

### **13. End month**

Relative end date, month 1 marking the start date of the project, and all end dates being relative to this start date.

### **14. Deliverable number**

Deliverable numbers: D1 - Dn

### **15. Type**

Please indicate the type of the deliverable using one of the following codes:

- R Document, report
- DEM Demonstrator, pilot, prototype
- DEC Websites, patent filings, videos, etc.
- OTHER
- ETHICS Ethics requirement

### **16. Dissemination level**

Please indicate the dissemination level using one of the following codes:

PU Public  
CO Confidential, only for members of the consortium (including the Commission Services)  
EU-RES Classified Information: RESTREINT UE (Commission Decision 2005/444/EC)  
EU-CON Classified Information: CONFIDENTIEL UE (Commission Decision 2005/444/EC)  
EU-SEC Classified Information: SECRET UE (Commission Decision 2005/444/EC)

**17. Delivery date for Deliverable**

Month in which the deliverables will be available, month 1 marking the start date of the project, and all delivery dates being relative to this start date.

**18. Milestone number**

Milestone number: MS1, MS2, ..., MSn

**19. Review number**

Review number: RV1, RV2, ..., RVn

**20. Installation Number**

Number progressively the installations of a same infrastructure. An installation is a part of an infrastructure that could be used independently from the rest.

**21. Installation country**

Code of the country where the installation is located or IO if the access provider (the beneficiary or linked third party) is an international organization, an ERIC or a similar legal entity.

**22. Type of access**

VA if virtual access,  
TA-uc if trans-national access with access costs declared on the basis of unit cost,  
TA-ac if trans-national access with access costs declared as actual costs, and  
TA-cb if trans-national access with access costs declared as a combination of actual costs and costs on the basis of unit cost.

**23. Access costs**

Cost of the access provided under the project. For virtual access fill only the second column. For trans-national access fill one of the two columns or both according to the way access costs are declared. Trans-national access costs on the basis of unit cost will result from the unit cost by the quantity of access to be provided.

## Description of the Action

### PART B

#### History of changes

DATE	VER	CHANGES
05.05.2015	1.0	<ul style="list-style-type: none"> <li>• replacement of Umbria Innovazione (UI) with Sviluppumbria (SVIL), and related updates of personnel (inclusion of Mr Barberi and Ms Donati).</li> <li>• expansion of the description of the expected impacts in the section 3.1.</li> <li>• deleting Ms Vangelista among staff allocated by EUC. All EUC services will be provided by Mr Traversi.</li> </ul>
17.06.2015	1.1	<ul style="list-style-type: none"> <li>• description of Third party “Piceno Promozione” (PP) was added in the table of Camera di Commercio Industria Artigianato e Agricoltura di Ascoli Piceno (AP) in section 4.1</li> <li>• CVs were removed</li> <li>• “Code of conduct” was added</li> </ul>

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#### PES

#### Code of conduct

## 1. Excellence

SME2EU ("*Small and Medium Enterprises To European Union*") is the Enterprise Europe Network consortium for the three Italian regions Marche, Tuscany and Umbria. For many years, all its partners have been providing EEN services mainly related to partnering for business and innovation.

Most of SME2EU participants provide already a wide range of innovation support services, and they are suitable structures to help local SMEs to enhance their innovation management capacity in order to facilitate the growth of competitiveness of SMEs.

The I-KAM2EU proposal aims to enhance the innovation management capacity of SMEs, making available to SMEs quality innovation support services that are absent or unaffordable on local markets.

The I-KAM2EU consortium as a whole is able to provide the two kinds of services expected by the call:

- Enhancing Innovation Management Capacity
- Key Account Management

These are innovation support services additional to the usual EEN portfolio, but almost all the I-KAM2EU partners have already been tested in the project SCRIpt ("*Services provided by Cinema foR ImPlementing new acTion*") financed in the previous H2020-Adhoc-2014-20 call.

### 1.1 Objectives

The objective of the proposal is to improve the innovation management capacity of SMEs in order to facilitate their growth of competitiveness.

SMEs themselves are often not able to adequately develop their management innovation systems. Moreover, on the local market there are no services that help them to go in this direction. The I-KAM2EU proposal (and the call in general) will establish and provide specific services addressing in general SMEs with significant innovation activities and the beneficiaries of the SME Instrument.

The improvement of innovation management is provided through two kinds of services:

#### 1. Enhancing innovation management capacity (EIMC)

SMEs with concrete potential for international growth (about product, process, service or business model innovation) but with low expertise to manage innovation activities shall receive a 7-day service package that includes an innovation management capacity assessment, a gap analysis, the provision of an action plan to address recognised gaps, and a final analysis. The assessment will be based on the IMP<sup>3</sup>rove tool and methodology, complying with the CEN/TS 16555-1 innovation management system technical specification.

#### 2. Key Account Management (KAM)

For beneficiaries of the Horizon 2020 SME Instrument a 7-day support covering phase 1 and phase 2 of the SME instrument shall be used to identify gaps, suitable coaches and support their work that would address the recognised barriers to growth on the basis of a jointly agreed 'coaching plan', and to assist the project managing with the EU.

Within the constraints (timing and costs) of the project, I-KAM2EU aims to provide the following 7-day service packages which will be delivered in the geographical area covered by the project.

Region/Partner	EIMC services	KAM services	Total services
Tuscany	35	7	42
<i>PF</i>	0	0	0
<i>CT</i>	17	4	21
<i>EUC</i>	18	3	21
Marche	26	3	29
<i>AP</i>	13	1	14
<i>CDO</i>	13	2	15
Umbria	22	3	25
<i>CEU</i>	9	2	11
<i>SVIL</i>	13	1	14
<b>TOTAL</b>	<b>83</b>	<b>13</b>	<b>96</b>

## 1.2 Relation to the work programme

The proposal relates to the topic H2020-Adhoc-2014-20 – “Establishing service *Enhancing the innovation management capacity of SMEs* in the Enterprise Europe Network” in the work programme LEIT – Innovation in SMEs.

I-KAM2EU aims to provide services to improve the innovation management system of local SMEs in order to foster their potential for international competitiveness and growth.

The participants will define a common strategy to select a limited but significant number of SMEs (in the three regions Marche, Tuscany and Umbria) in which provide the *Enhancing SME innovation management capacity* services.

The Key Account Management services will be provided to SME Instrument beneficiaries.

I-KAM2EU consortium will implement all the services in close connection with the activities developed by the Network partners as EEN Members.

The consortium will operate according the CEN/TS 16555-1 standard and using the IMP<sup>3</sup>rove tool (all partners have trained and experienced personnel on innovation support services and/or on the tool).



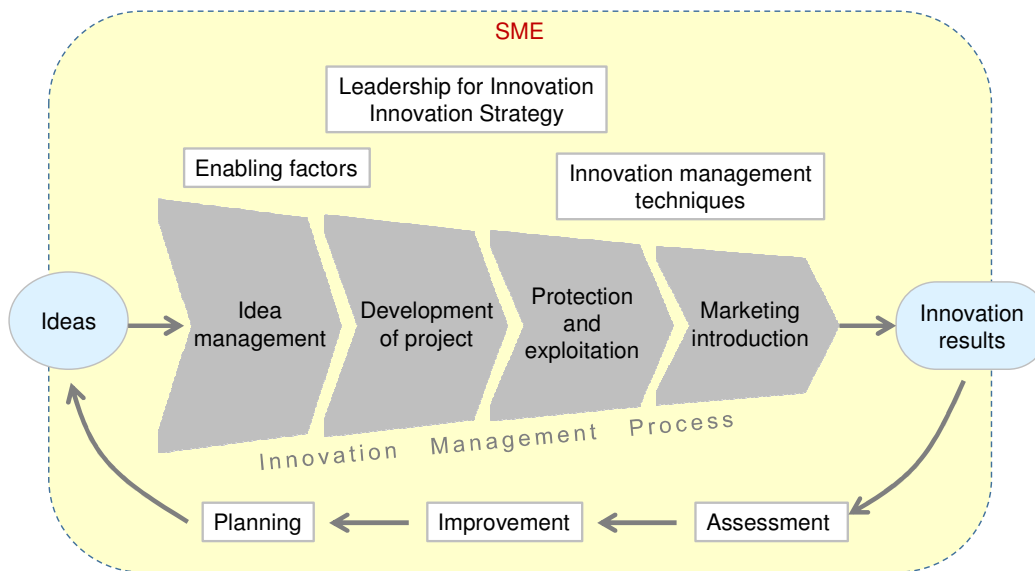
### 1.3 Concept and approach

Innovation is a key driver for the success of SMEs.

I-KAM2EU aims to make available the opportunity for a SME to have a rational and structured support to develop and maintain an internal innovation management system. Establishing such system can allow SMEs to become more innovative and to achieve more success with their product, service, process, organisational design and business model innovation. This would foster improved SME results, value and competitiveness.

According to the UNI CEN/TS 16555-1 standard, Innovation Management System (IMS) is defined as the “*set of interrelated or interacting elements of an organization to establish innovation policies and objectives as well as processes to achieve those objective*”.

The following figure provides the conceptual overview of the innovation management system.



The SMEs' possibility to improve their market success is strictly related to compliance with:

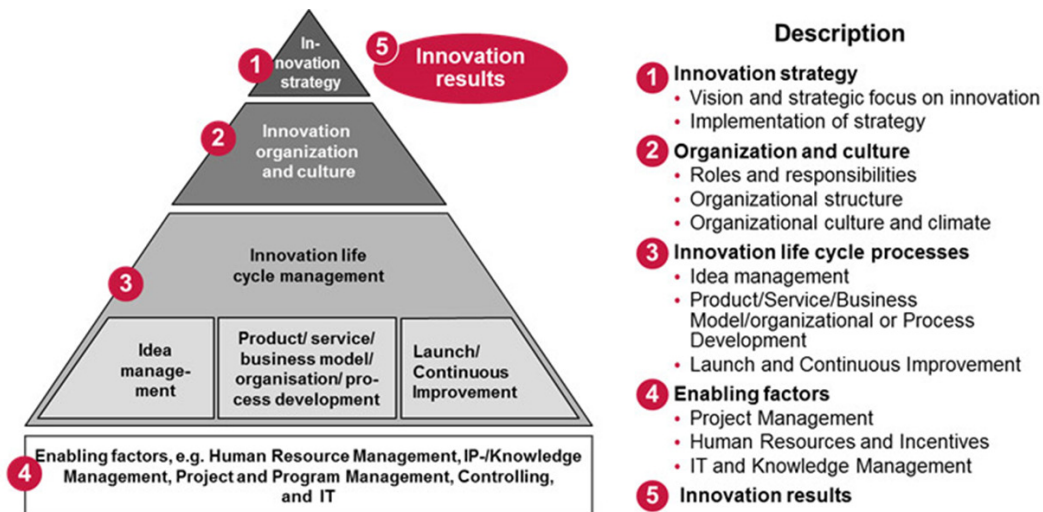
- innovation process, based on the following steps: conception, protecting idea, designing of the product or service model, prototyping, large scale production and commercialisation,
- innovation management, based on assessment, improvement, planning.

This approach to innovation is driven both by SMEs' capability to achieve new products or services and to enhance their management skills. Innovation process begins by an innovative idea, which has to be protected with the Intellectual Property Right tools, and continues with development of the product or service. The consortium service will support SMEs as they approach the market by assessing the company's capability to respond to a wider demand, to adapt their organization to innovation, to correctly plan all their possible market spreading actions.

In order to provide a comprehensive and thorough assessment of all key elements, as also defined in the European standardisation documents (CEN TS 16555-1, ...), the partners agreed to make use of IMP<sup>3</sup>rove Assessment as core tool for the diagnostic phase in the EIMC services. For this purpose the partners selected highly qualified personnel who have a long-term experience in innovation support services and/or who have attended the IMP<sup>3</sup>rove training courses by the IMP<sup>3</sup>rove Academy, within the project SCRIpT, receiving certified special training and free of charge tool licenses. For the execution of all the I-KAM2EU services, these experts must obtain the appropriate number of licenses.

Through IMP<sup>3</sup>rove, partners will have access to a large innovation management benchmarking database with the aim to create the highest impact for their clients.

The IMP<sup>3</sup>rove Assessment will provide an indication of the company competitiveness and potential of growth by showing to what extent the innovation management capabilities contribute to the enhancement of those spheres. The following picture describes the IMP<sup>3</sup>rove Assessment strategy.



I-KAM2EU provides two kinds of services, with different SME targets.

### Enhancing SME Innovation Management Capacity (EIMC)

This service is aimed at SMEs who are developing products or services innovative and with high potential for international competitiveness, but who have poor knowledge or skills or ability to manage the innovation processes. The aim is to empower such SMEs by helping them to unlock their potential through better management of the innovation system.

Because the service packages provided under the project will be limited to 77, a selection of SME candidates will be done to ensure effective use of the available funding resource. The selection criteria and constraints will be widely publicised (including by the SME2EU web-site) to all the potential interested SMEs to provide a fully transparent framework of the rules of the game.

Specific selection criteria will be defined starting from the following topics:

- at least 5 on staff headcount
- company started at least 3 years previously
- SME with innovative product/service/process
- SME with high potential for internationalisation

- SME operating in an enabling technology of Horizon 2020 – LEIT

Further possible useful elements to the selection

- SME participating in Technology Poles or Districts
- SME participating in FP7 or Horizon 2020 proposal (excluding beneficiaries of SME Instrument)
- SME market leader

The strategy to identify potential beneficiaries of the service will include:

- description of the service in workshops organized by SME2EU
- web communication (SME2EU and partner sites)
- contacts by EEN communication activities
- contacts by EEN services
- geographical distribution in the regions (Marche, Tuscany and Umbria)

The selected SMEs must be able to provide real benefit in terms of jobs, growth and European economic impact. Beneficiaries will be provided with an in-depth analysis of their innovation management profile, which will highlight the gap between their innovation capabilities and goals. A tailored action plan will be developed showing how to close the gap, which will also outline related support services that can be used to address any relevant issues.

The EICM service delivery is divided into five stages (as 7-day packages):

0. assess SME's suitability for entry (as standard EEN service)
1. assess actual innovation management capacity
2. needs/gaps analysis and action plan development
3. action plan implementation
4. final report

As a rule of thumb, this process should be delivered within a 12 month period (because the timing of the action plan implementation). It is considered that a typical service delivery will take seven days, but this may vary slightly from case to case.

### **Key Account Management for SME Instrument beneficiaries (KAM)**

The Key Account Management (KAM) service is addressed to the SME Instrument beneficiaries. A successful applicant to the SME Instrument Phase 1 and/or Phase 2 present in Marche, Tuscany and Umbria, will be contacted by one of the two I-KAM2EU partner operating in that region to explain the process and benefit of the KAM service and of the external expert coach support. The aim of the KAM service is to facilitate the coaching process by:

- convincing the SME Instrument beneficiary of the value of taking up the coaching service.
- helping them to identify and commission the most appropriate coach from a DG R&I central database.
- supporting the SME-coach relationship.
- ensuring that the SME is fully and seamlessly connected to the entire range of regional and national innovation support.

The KAM service delivery is divided into five stages (as 7-day packages):

- SME Instrument Phase 1
  1. assess SME gaps and needs
  2. identification and selection of coach
  3. facilitate coach-SME interactions to prepare coaching plan
- SME Instrument Phase 2
  4. facilitate coach-SME-EASME interactions
  5. close coaching case and initiate next steps

In the case the SME beneficiary has not execute the SME Instrument Phase 1, all the five step are related to the SME instrument Phase 2

As a rule of thumb, this process should be delivered within a 24 month period.

In the case of a SME developing the SME Instrument Phase 1 and Phase 2, it must be included the timing of Phase 1 developing and the presentation, evaluation and execution of the Phase 2 proposal.

The number of days given per step is indicative and may vary slightly from case to case. However, the overall balance (7 days) should be maintained..

I-KAM2EU innovation experts delivering the two types of services possess following skills:

- University degree (or equivalent) in a relevant field
- Senior member staff member of the SME2EU – EEN host organisation with proven experience in the provision of business and innovation support
- Strong understanding / proven knowledge of the concept of innovation management (*for providers of services enhancing the innovation management capacity of enterprises*)
- At least three years of experience in EU-funded projects (*for Key Account Managers*)
- IMP<sup>3</sup>rove certified (*for providers of services enhancing the innovation management capacity of enterprises*)
  - AP staff which is not partner of the SCRIpT project (financed by the previous H2020-Adhoc-2014-20 call) will attend the IMP<sup>3</sup>rove training courses in the next months
- Ability to act as a highly credible business and innovation expert with good understanding of the challenges/barriers to growth faced by high-growth businesses
- Familiarity with at least some consulting approaches and tools to recognise and address barriers to successful innovation management
- In-depth knowledge of the support required to enable companies reach their growth potential, and an understanding of the available support infrastructure at all levels.
- Ability to develop strong relationships with senior management in innovative / growth companies and with a wide range of business support specialists
- Refined networking, business development and advocacy skills
- Ability to advise an SME on change management and project management

## **2. Impact**

### **2.1 Expected impacts**

Direct impact from the two actions will be a significantly enhanced growth and profitability of SMEs receiving the services as compared to their initial situation: innovation processes will be conducted more efficient and more effectively.

Indirect impact is expected from the introduction of high quality innovation management capacity assessment and support services in all regions across Europe. In an increasing number of regions the initial introduction in the context of the described action will lead to integration of the toolbox in regional innovation support.

The services will be provided to a significant but limited number of SMEs: the I-KAM2EU objective is to supply 96 seven-day service packages. But the dissemination and communication activities (provided in close synergy with the SME2EU project) will make aware a greater range of SMEs about the relationship between the innovation management process and the market competitiveness.

Specific expected impacts about the two type of services:

- At the start of his work, KAM analyses the SME to identify gaps and coaching needs. At the end of the coaching process, the KAM will conduct the same analysis again for a first evaluation of its impact. Moreover, the KAM services provided to the beneficiaries of the SME Instrument Phase 1, will aim (also) to support a successful approach to the Phase 2 call.
- For EIMC services, a twofold IMP3rove assessment will measure the improvement of the innovation management capacities, between the start and end of the service delivery, although in several cases the completeness of the benefits generated by the action plan will be fully measurable only in a longer period.

The real impacts generated by the project will be measurable in the medium period, in terms of improvement of the competitiveness and innovation capacities of SMEs and their ability to better act and evolve in the market.

To evaluate these impacts, the participants will ensure a follow-up activities in the years, to take effective feedback by SMEs and to track the impact on the company.

### **2.2 Measures to maximise impact**

#### ***a) Dissemination and exploitation of results***

The dissemination and exploitation activities will be integrated with the activities carried out by the participants as EEN – SME2EU partners.

Each partner will also use the a regular flow of information, to (initially) inform the SMEs of the three Italian regions Tuscany, Marche and Umbria about the availability of the new services. After that communication they will also aim to publicise the obtained results and to give visibility to success stories.

The objective is to spread the knowledge that the growth of the innovation management capacity is an enabling factor to success to the largest number of SMEs.

The potential dissemination target is the whole set of SMEs located in the three regions, with innovative product/service/process, with potential for internationalisation.

The main dissemination will use SME2EU and host-organisations media and instruments: website, newsletter, e-mailing, workshop, meetings, brochures ...

### 3. Implementation

#### 3.1 Work plan — Work packages, deliverables and milestones

I-KAM2EU extends the scope of intervention of the EEN consortium SME2EU, introducing two new services aiming at enhancing the innovation management capacity of SMEs and at facilitating the management of SME Instrument projects.

To provide these services, I-KAM2EU is divided into the following 2 work-packages

WP1. Enhancing Innovation Management Capacity

WP2. Key Account Management

Project management and dissemination activities are referred to the related WP of the proposal SME2EU (COS-EEN-2014-2-01 ref. 649295)

#### Gantt Diagram

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19	M20	M21	M22	M23	M24
WP1 Enhancing Innovation Management Capacity	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
T1.1 EIMC services	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
T1.2 EIMC coordination						■						■						■						■
WP2 Key Account Management	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
T2.1 KAM services	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
T2.2 KAM coordination						■						■						■						■

### 3.2 Management structure and procedures

The project management will ensure the best coordination of the project activities in accordance with planned times, objectives, roles and resources.

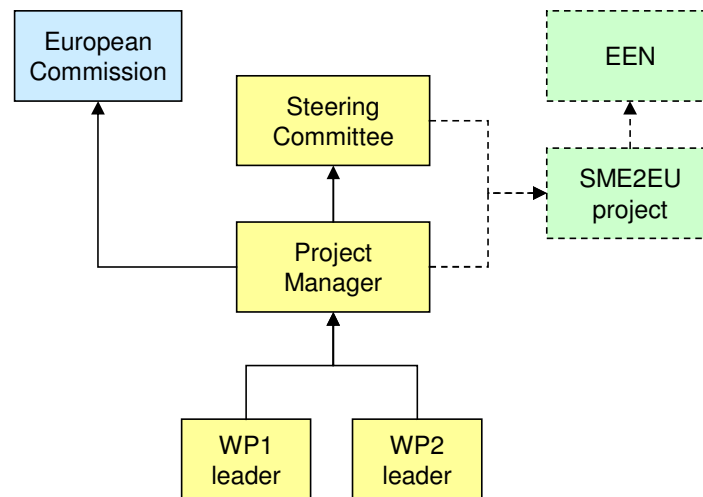
The management structure and procedures aim:

- to allow efficient decision making;
- to ensure communication flow between participants and to European Commission;
- to guarantee communication flow between I-KAM2EU activities and SME2EU activities;
- to ensure the achievement of the target number of companies to serve;
- to resolve any conflict that might arise within the project;
- to ensure that the project is developed in accordance with the EC rules.

Because of the relative simplicity of the project and its strict connection with the activities of EEN-SME2EU consortium, I-KAM2EU has a simplified management organisation that provides for the establishment of:

- a Steering Committee
- a Project manager

The figure below summarizes the I-KAM2EU decision-making hierarchy



The internal communication flow is a few more complex: starting from the above schema, it has all those lines with double arrows, and the bidirectional interactions between work package leaders.

#### Steering Committee (SC)

The Steering Committee is in charge of the strategic management of the project and can be compared to the general assembly. It is the highest level of decision making within the project since it is the main consultative and coordination tool to address and discuss the operative and administrative issues of the project. In this function, the SC is in general responsible for the overall direction of the project, for taking major strategic decisions concerning the project and for the project implementation.

SC will consist of one senior EEN representative from each consortium member.

The Project Manager chairs SC meetings.



Decisions by the Steering Committee are immediately enforceable.

It shall meet at least twice a year in the context of the SME2EU meetings and/or interacting by mail, skype and/or teleconference. Extraordinary meetings are possible whenever the progress of the project demands such meetings to ensure achieving objectives.

In particular, the SC is responsible for:

- reviewing of the overall project's progress;
- making possible changes and adjustments in work packages, timelines, target distribution and budget allocations.

The Steering Committee will be the organ in which to find consensus over the choice of SMEs to be selected within "Enhance innovation management capacity" service packages, and it will check if the recipient of KAM services be effectively in domain of beneficiaries of SME instrument.

### **Project Manager (PC)**

The Project Manager is named by the project Coordinator (PromoFirenze)

His/her role will be the day by day overview of the activities and to convene the Steering Committee every six months and when necessary.

He/she represents the Coordinator in the responsibility for the adherence to the contractual obligations in all the activities of the project, including prompt delivery of all reports and deliverables announced in the work plan and the distribution of the EC financial contribution to the project partners.

PC ensures a high level of communication between participants and to European Commission.

Each consortium member will appoint an Administrative Officer who will be responsible for the provision of costs and administrative information to PM and for the issue of periodic cost statements.

### **Work Package Leader (WPL)**

The project is organised in 2 work packages, each one coordinated by a "WP leader". WP leader will be in charge of coordinating and synchronizing work package tasks between individual task performers.

WP1 leader is named by Eurosportello Confesercenti.

WP2 leader is named by Confindustria Toscana.

They are responsible for the deliverables associated with the WP.

To control the project execution and to assure the expected results WPLs have to analyse and communicate to PM status and results of actions.

### **3.3 Consortium as a whole**

The I-KAM2EU consortium is made up of all the 7 partners of SME2EU consortium covering the three Italian regions Marche, Tuscany and Umbria:

- in Marche:
  - Camera di Commercio Industria Artigianato e Agricoltura di Ascoli Piceno
  - Compagnia delle Opere Pesaro Urbino
- in Tuscany:
  - PromoFirenze Azienda Speciale della Camera di Commercio Industria Artigianato e Agricoltura di Firenze
  - Confindustria Toscana
  - Eurosportello Confesercenti
- in Umbria:
  - Centro Estero Umbria
  - Società regionale per lo sviluppo economico dell'Umbria - Sviluppumbria spa

The specific objective of SME2EU project (COSME Call for proposals COS-WP2014-2-1) starting on 1 January 2015, is for Enterprise Europe Network services, to provide advice, support and information activities to increase the competitiveness and innovation capacities of European SMEs. All the I-KAM2EU and SME2EU partners also participated in CINEMA project, the Central Italy consortium for the Enterprise Europe Network active until the end of 2014.

Therefore, the seven partners have collaborations persistent for many years, know each other well and are used to cooperating. This is definitely an advantage for the better development of the project

The consortium will carefully consider the positioning of the project and its services in the regional ecosystem of SME support in order to minimize market distorting effects.

PromoFirenze (as the SME2EU coordinator) participates to I-KAM2EU as the project coordinator, but without providing any services (and therefore without an its own budget).

In each of the three regions, 2 partners will provide I-KAM2EU's services, ensuring optimal geographical coverage. They will allocate all the specific skills that are required to provide growth-oriented and innovation management support services to companies.

The partners through their different backgrounds and expertise will increase the effectiveness and efficiency of SME's innovation management system, identifying gaps in the system, reinforcing contacts with clients suitable for enhancing SME innovation management capacity service.

The partners' commitment will ensure the compliance of the actions to the specific objectives of the project and, thus, to the general one: to contribute to smart growth in the European Union by increasing the efficiency and effectiveness of investments in research, development and innovation and by contributing to a better and more efficient connection of actors along the innovation chain.

Furthermore, all the partners are well embedded in their regional SME innovation support ecosystem and will benefit from the collaboration with other regional service providers to identify suitable SMEs with significant innovation activities.

## 4. Members of the consortium

### 4.1 Participants (applicants)

<b>Partner legal name</b>	PromoFirenze Azienda Speciale della Camera di Commercio Industria Artigianato e Agricoltura di Firenze	<b>Country</b>	Italy
<b>Short name</b>	PF	<b>Region</b>	Tuscany
website	www.promofirenze.it		
<b>Description</b>			
<p>PromoFirenze is the Special Agency of the Chamber of Commerce of Florence.</p> <p>Established in Florence in 1989, it focuses on SME internationalisation and development issues. Its main fields of experience are Matchmaking events (B2B), international business cooperation and internationalisation events, capacity building and technical assistance on access to finance. In 1989 PromoFirenze joined the EIC Network and in 2008 became EEN providing a full range of services to companies. Since November 2012 PromoFirenze has taken on the new role of CINEMA Consortium Coordinator covering five Central Italy Regions (Tuscany, Marche, Umbria, Lazio, Sardinia) with 16 Partners.</p> <p>PromoFirenze is the coordinator of SME2EU, the 2015-2016 EEN consortium for the Italian regions of Tuscany, Marche and Umbria.</p> <p>In the I-KAM2EU project, because it coordinates SME2EU, PF provides the project management support, without providing any services (PF does not its own budget in I-KAM2EU).</p>			

<b>Partner legal name</b>	Confindustria Toscana	<b>Country</b>	Italy
<b>Short name</b>	CT	<b>Region</b>	Tuscany
website	www.confindustria.toscana.it		
<b>Description</b>			
<p>Confindustria is the main Italian Manufacturing Confederation, in charge of managing industrial relations between the Italian government, the private industry sector and the Unions.</p> <p>Confindustria Toscana is the regional office for Tuscany, providing a more specialized service for the Tuscan members with the mission, together with the local political institutions and the economic, social and cultural organizations, to contribute to business growth and the social progress of the territory. It represents and safeguards the interests of the Tuscan enterprises in all matters regarding legislative and administrative regional laws, as well as national and European issues.</p> <p>Furthermore, Confindustria Toscana, as member of the Enterprise Europe Network, has specialized in promoting and enhancing services towards SMEs on all the aspects related to innovation and internationalization issues and it has been the coordinator of many regional projects, with the help of its operational branch which is more focused on Enterprise Services (Confindustria Toscana Servizi).</p> <p>In particular Confindustria Toscana works hard on promoting the innovation in SMEs, supporting them in developing their Innovation capacities; it helps enterprises in highlighting their needs and gaps to enhance their competitiveness, with the help of experts in different fields, supporting them in designing and planning projects suitable to realize the changes necessary, as well as defining, when necessary, professional training.</p> <p>Confindustria Toscana is promoting different projects to enhance Tuscan industries competitiveness. With the help of Sant'Anna Superior Institute (Pisa), it is carrying out formative meetings with enterprises to spread Open Innovation concepts. As member of the Enterprise Europe Network, its daily work is supporting enterprises in accessing European opportunities (international collaborations, joining EU projects, internationalization). Through a strong collaboration with the Tuscan Life Science cluster, it has performed many different initiatives to stimulate this sector's growth. With the Tuscan Universities and research centers, it works to build the connection between researchers and enterprises.</p> <p>In the I-KAM2EU proposal, CT provides EICM services and KAM services. CT is the leader of the WP2 – “Key Account Management”.</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Dr Luisa Ortu, female		
<b>Profile</b>	LUIISA ORTU has an economic University Background. She earned a Master's degree in Innovation Management at the Scuola Superiore		

	<p>Sant'Anna di Pisa, with a specialisation in the process of innovation, technology innovation, research &amp; development, technology audit, innovation policy.</p> <p>She has supported Confindustria Toscana since the beginning of the EEN network (2008), helping it to develop and manage services for businesses. She is a senior manager in the Area Business Development and Open Innovation, supporting companies of all sectors, through business audits and reviews, in their research and innovation processes. She has attended the IMP<sup>3</sup>rove training courses by the IMP<sup>3</sup>rove Academy, so she is certified to assess a company on its innovation process strategy.</p>
<b>Title, full name and gender</b>	Eng Giada Mennuti, female
<b>Profile</b>	<p>GIADA MENNUTI is a telecommunication engineer with a PhD on "Informatics Engineering Multimedia and Telecommunications". She has a long and important experience in developing innovation and research projects with companies and Universities. She participated in many FP7 project proposals, from the submission of the proposal to the management of the technical aspect of the projects. She is a senior expert focused on the provision of innovation support on the technology transfer and innovation services. She has attended the IMP<sup>3</sup>rove training courses by the IMP<sup>3</sup>rove Academy, so she is certified to assess a company on its innovation process strategy.</p>

<b>Partner legal name</b>	Consorzio Eurosportello Confesercenti	<b>Country</b>	Italy
<b>Short name</b>	EUC	<b>Region</b>	Tuscany
website	www.eurosportello.eu		
<b>Description</b>			
<p>Eurosportello Confesercenti (EUC) is promoted by Confesercenti (no profit-making business association), which represents the economic interests of about 250,000 enterprises in Italy.</p> <p>Eurosportello developed a strong capacity to manage local development processes through information on Community policies and assistance to access to financial opportunities targeted both to the private and to the public sector. A wide expertise was gained with the conception and management of web applications providing information and assistance on Community issues and instruments and with the management of on-line communities of local stakeholders able to communicate on the different aspects of local development.</p> <p>Since 1989, Eurosportello helps SMEs and local actors with: training, assistance, partner searches, consultancy, web products and information about available opportunities and activities.</p> <p>Eurosportello Confesercenti is a member of the Enterprise Europe Network (EEN) to foster the process of internationalization, innovation and technology transfer.</p> <p>In the I-KAM2EU proposal, EUC provides EICM services and KAM services. EUC is the leader of the WP1 – “Enhancing Innovation Management Capacity”.</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Eng. Marcello Traversi, male		
<b>Profile</b>	<p>Electronic Engineer</p> <p>He has a long expertise in developing innovation and research projects with companies and Universities. He participated in many FP7 proposals, in several Horizon 2020 proposal, and in many regionally funded projects.</p> <p>He has worked for many years in the intermediation between SME and research.</p> <p>Senior member of EEN, expert in providing innovation services.</p> <p>IMP<sup>3</sup>rove Guide.</p>		

<b>Partner legal name</b>	Camera di Commercio Industria Artigianato e Agricoltura di Ascoli Piceno	<b>Country</b>	Italy
<b>Short name</b>	AP	<b>Region</b>	Marche
website	www.ap.camcom.it		
<b>Description</b>			
<p>Camera di Commercio Industria Artigianato e Agricoltura di Ascoli Piceno (AP) is a public and independent body working closely with local business. Its mission is to promote the territory growth and the economic activities development in Italy and abroad.</p> <p>The Chamber has managed European services to SMEs for 25 years, first as member of the Euro Info Centre Network (1989- 2007) and then in Enterprise Europe Network (since 2008). Thanks to the experience developed in those European projects, AP provides regional companies with a wide range of information and advisory services. The Chamber gives assistance on EU legislation/programmes and helps enterprises to access funding opportunities. AP supports business internationalisation, fosters innovation process and technology transfer and it encourages SMEs access to R&amp;D programmes.</p> <p>In the I-KAM2EU proposal, AP provides EICM services and KAM services.</p> <p>Piceno Promozione (PP) is the Special Agency of Ascoli Piceno Chamber of Commerce (AP) established by the Chamber of Commerce with resolution n. 340 on 28th November 1994, according to Italian Law n. 580/1993.</p> <p>PP acts as an instrumental organisation of the AP; its staff works in the Chamber of Commerce's premises as a department of the Chamber. PP Mission is to promote territorial growth and boost economic activities in Italy and abroad. PP manages the EEN bureau thus providing SMEs with services to develop their innovation capacities and competitiveness and it works with all the AP departments for the better targeting of all initiatives/services related to the Network including EIMC and KAM activities .</p> <p>The AP budget table includes the costs of the Third Party organization (Piceno Promozione) Linked to Beneficiary (Chamber of Commerce of Ascoli Piceno, AP) which will carry out the activities described in IKAM2EU project in the context of H2020 (specifically 1) services to enhance innovation management capacity of SMEs and 2) Key account management under the SME Instrument) incurring estimated costs (€ 33.388,60) and requesting EC contribution (100%).</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Dr. Annamaria Di Patrizio, female		
<b>Profile</b>	<p>EEN Project Manager.</p> <p>Planning and management of initiatives to promote the territory growth and to develop the economic activities in Italy and abroad. Assistance activities aimed at business internationalization, innovation development and technology transfer. Main experiences:</p> <p>2011/2012 "Innovative materials in the supply chains of green building and</p>		

	<p>eco-design made in Italy” (Project coordinator);                  2010/2011 “Technological innovation and sustainable development” (Project coordinator);                  2009/2011 Contact person for communication plan on European Regional Development Fund (ERDF) in the framework of partnership agreement with Marche Region Authority;                  Since 2008 - Enterprise Europe Network (Project manager);                  2001/2007 Manager of Euro Info Centre - EIC IT 356 – Ascoli Piceno</p>
<p><b>Title, full name and gender</b></p>	<p>Dr. Luca Battigaglia, male</p>
<p><b>Profile</b></p>	<p>Information and advice on European, national and local funding opportunities and EU legislation. Assistance to SMEs on enterprise creation, access to finance, internationalization and taxation. Budgeting, financial planning and reporting activities in the frame of national and EU projects.</p> <p>Main projects in which he was involved:</p> <p>2011-2012 - “Innovative materials in the supply chains of green building and eco-design/made in Italy” (financed by UnionCamere Funds).                  2010-2011 - “Technological innovation and sustainable development” (financed by UnionCamere Funds).                  Since 2008 – Enterprise Europe Network - EEN (financed by DG Enterprise and Industry - EC)                  From 2002 to 2007 - Euro Info Centre - EIC IT 356 (financed by DG Enterprise – EC)</p>



<b>Partner legal name</b>	Associazione Compagnia delle Opere di Pesaro Urbino	<b>Country</b>	Italy
<b>Short name</b>	CDO	<b>Region</b>	Marche
website	www.cdopesaro.com		
<b>Description</b>			
<p>Compagnia delle Opere Pesaro Urbino is an enterprises' association which embraces SMEs operating in all economic sectors. Founded in 1989, CDO Pesaro Urbino has been a member of the Enterprise Europe Network from its origin.</p> <p>Compagnia delle Opere aims to connect businesses through a network that makes it possible to exchange experiences, suggestions and information and it organizes initiatives and events in order to offer a fruitful entrepreneurial environment, to support the creation of new business relationships and to enhance SMEs competitiveness on national and international markets.</p> <p>Thanks to its participation in the EEN project, Compagnia delle Opere offers a wide range of services, including among others, financial services and assistance on funding opportunities, support to SMEs internationalisation, assistance to the innovation management process and support for education and employment by organizing seminars, workshops, training sessions, b2b events, company missions, incoming of foreign operators, international brokerage events,...</p> <p>Direct visits to local companies, detailed personal dialogues with entrepreneurs, business and technological audits performed at the companies' premises, enable the CdO staff to investigate company strengths and weaknesses, business and commercial projects, innovative ideas, financial constraints and identify companies' needs and potentialities in developing new ideas, products, services and markets at international level.</p> <p>Thanks to its participation in the previous SCRIPT project - the project undertaken by CINEMA consortium for Enhancing SMEs Innovation Management Capacity - Compagnia delle Opere has now the opportunity to adopt the new targeted tool developed by Improve to assess clients' innovation management capacity.</p> <p>Apart from its participation in the EEN project, Compagnia delle Opere took part also in other EU projects, including as project leader role too, as for example in the ECO4B – SPA on Matchmaking Events 2010-2011: a project to promote and create new business opportunities among companies working in the fields of Energy, Environment and Sustainable Construction at international level.</p> <p>In the I-KAM2EU proposal, CDO provides EICM services and KAM services.</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Dr. Angela Tringali, female		
<b>Profile</b>	<p>Angela Tringali is Director in Compagnia delle Opere since 2008.</p> <p>Apart from the coordination tasks of the staff organization and management role, she has been always involved in consulting activities to entrepreneurs in order to investigate company' strengths, weaknesses, business and commercial projects, innovative ideas, financial constraints and funding opportunities. Tringali has been also EEN staff since the beginning of her</p>		

	<p>professional experience in Compagnia delle Opere and she has been involved with a different level of commitment to EEN project, EEN Specific Actions (SMEs panel, Matchmaking events,...), National calls for enterprises and young employment.</p> <p>She will be especially involved for KAM activity.</p>
<p><b>Title, full name and gender</b></p>	<p>Dr. Elisabetta Andreani, female</p>
<p><b>Profile</b></p>	<p>Elisabetta Andreani is EEN project manager since 2007 and before she worked for the Euro Info Centre Network. In recent years Ms. Andreani has been involved with the management of transnational projects and business cooperation projects. Most of her time is devoted to setting up relations with companies and clients in order to provide them with advice, business review, assistance for internationalization activity, funding opportunities,...</p> <p>Thanks to her participation to SCRIPT project, the range of services has been enlarged to include also support on innovation management capacity, including through adoption of the IMP<sup>3</sup>rove platform.</p> <p>She has attended IMP<sup>3</sup>rove training courses by the IMP<sup>3</sup>rove Academy, so she is certified to assess a company on its innovation process strategy.</p> <p>She will be especially involved in the EIMC activity.</p>

<b>Partner legal name</b>	Centro Estero Umbria	<b>Country</b>	Italy
<b>Short name</b>	CEU	<b>Region</b>	Umbria
website	www.centroesteroumbria.com		
<b>Description</b>			
<p>Centro Estero Umbria - CEU (English name "Umbria Trade Agency") is a non-profit association of the public organisations Umbria Regional Government, Chamber of Commerce of Perugia and Chamber of Commerce of Terni.</p> <p>Being in charge of supporting the implementation of regional policies and measures of internationalisation of SMEs, its mission is creating favourable conditions and supporting the international development of the Umbria Region's SMEs and regional economy, including the establishment of contacts and generation of new opportunities between companies and international partners to embark on effective, profitable relationships.</p> <p>Centro Estero Umbria supports the regional economy in commercial and industrial internationalisation, providing business consultancy, macroeconomic data and information on foreign markets in customs legislation, European and extra-EU country legislation and law, financial resources for start ups and internationalization, opportunities in international markets, EU marking, import/export statistics, commercial data and commercial issues, analysis of new markets, planning penetration, searching and matching local entrepreneurs with buyers/business partners abroad.</p> <p>Promotional activities, planned and implemented through international working methodologies, include business meetings between foreign and local delegations, economic missions, international fairs, seminars, workshops concerning international projects for industrial co-operation.</p> <p>CEU's profile is coherent with the tasks to be accomplished in the frame of the present action, as its mission is actually to enhance SMEs capacity to innovate in internationalisation through the improvement of non-technological business assets such as e.g. improvement of business models, diversification of core business, access to new markets, clients and partners, etc. The organisation already delivers tailored services to promising companies, according to a standardised methodology, including leveraging the international network of support and intermediary organisations in the CEU portfolio.</p> <p>In the I-KAM2EU proposal, CEU provides EICM services and KAM services.</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Dr. Marco Liviantoni, male		
<b>Profile</b>	<p>He graduated in law from the University of Perugia (Italy).</p> <p>Since 2011 Head of the European Projects of Foreign Trade Centre Umbria. In 2007 he assumed the role of coordinator of the EURO INFO CENTRE</p>		

	<p>IT390 managed by the Regional Federation Coldiretti Umbria.</p> <p>Designer and coordinator of several EU projects (RuralE.Evolution - Public-Private Partnerships for agro-energy districts, KINEA - Knowledge Intensive Nascent Entrepreneurs Abroad, "Web Advanced Web Export Manager - EM2.0")</p> <p>From 2007 to 2011 working at META Group srl (Innovation, KICs start up, Incubation, Seed and Venture Capital) he was responsible for business development, strategic consultancy, project implementation in the field of incubation and start-up of innovative enterprises, training for entrepreneurs, business planning, business support services.</p> <p>He is experienced in the field of education and vocational training, in particular in the field of European Policies and Business Planning at various regional and international actors. From 2011 Head of EU programmes area at Umbria Trade Agency, member of EEN staff and project coordinator.</p> <p>Certified as IMP<sup>3</sup>rove Expert I</p>
<b>Title, full name and gender</b>	Dr. Matteo Papini, male
<b>Profile</b>	<p>Project Manager.</p> <p>He graduated in International Communication in 2005 and in International Relations in 2012.</p> <p>Since 2005 employed at Centro Estero Umbria (Umbria Trade Agency), in charge of SME export and internationalization supporting activities. Five years of experience in advice and business support to SMEs in the field of business analysis, market analysis, export strategy development and finance for SMEs. Staff member of Enterprise Europe Network since 2007. Member of the network of China experts within Understanding China Programme since 2009. Expert in charge of technical assistance to Latin American SMEs, within AI Invest Programme (closed in 2013) and, since 2013, within the FinPyme Export Plus programme, financed and managed by Inter-American Investment Corporation, part of Inter-American Investment Bank. Involved in LLP projects e.g. Export Manager 2.0 and other EU financed projects (CIP).</p>

<b>Partner legal name</b>	Società regionale per lo sviluppo economico dell'Umbria - Sviluppumbria spa	<b>Country</b>	Italy
<b>Short name</b>	SVIL	<b>Region</b>	Umbria
website	www.sviluppumbria.it		
<b>Description</b>			
<p>Sviluppumbria is the Economic Development Agency of the Region of Umbria. Founded in 1973 and wholly owned by public institutions, with the Region of Umbria holding 93,32% of its shares, SVIL's mission is to improve Umbria economic growth and competitiveness, providing financial and technical services to SMEs and supporting networks able to catalyze development. Sviluppumbria accomplishes its scope by 1) designing and offering a wider range of financial and other technical services to public and private actors, aimed at economic development and employment growth; 2) Taking on a more comprehensive promotional role, fostering integration and coordination of local institution, associations, universities, research centers and other public and private local actors to promote local competitiveness.</p> <p>In 2013 the Region of Umbria strengthened SVIL's role of multi-function agency, asked to coordinate other regional actors avoiding competence overlaps and duplication of activities, as part of an ongoing effort to reposition its development tools. This included the merger by incorporation of Umbria Innovazione (UI) by Sviluppumbria. UI was the former regional innovation agency for innovation and technology transfer that has been an EEN partner since 2008 and IRC since 1995. Sviluppumbria will continue to carry out UI traditional tasks while supporting a new integrated to promote increasing territorial sustainable competitiveness through interdependent internationalisation and innovation policies.</p> <p>In the I-KAM2EU proposal, SVIL provides EICM services and KAM services.</p>			
<b>Key Personnel Involved</b>			
<b>Title, full name and gender</b>	Dr. Giuseppe Barberi, male		
<b>Profile</b>	<p>Graduated in Economics, Giuseppe Barberi is a senior expert of Sviluppumbria, Economic Development Agency of the Region of Umbria, where he has developed 15 + years experience in business support and innovation , local development and technical assistance to SMEs.</p> <p>In 2013 he was appointed as Sviluppumbria's representative on the Regional Technical Evaluation Committee for the Call to support new innovative SMEs. Prior to this, he has assisted companies of the textile and fashion, mechanics, agro-food and wood sectors within regional calls for Integrated Subsidy Package (Bando PIA, Pacchetto Integrato di Agevolazioni) and for the establishment of business networks (Bando Re.Sta Reti stabili di impresa).</p> <p>Among his main achievement in the sector of business support, he has managed a project to create a centre of excellence for fashion in the area Alta Umbria.</p> <p>He was involved in the restructuring of the company TREC Spa Spoleto</p>		

	<p>operating in the disposal of WEEE (Waste Electrical and Electronic Equipment), for which Sviluppumbria appointed him as a director.</p> <p>He was involved in the restructuring of the company Terme Di Fontecchio Spa of Città di Castello operating in the area of hot springs and wellness, for which Sviluppumbria appointed him as a director.</p> <p>He was involved in the restructuring of the company Cooperativa Artigiana Villamagina of Sellano operating in the area of high-value-added artisan production.</p> <p>He handled the project to re-launch Tela Umbra of Città di Castello for which Sviluppumbria appointed him as a director.</p> <p>He was involved in the development project of CLAS srl of Umbertide operating in the fashion sector, producing and selling tailored outerwear.</p> <p>In Sviluppumbria he has also an extensive experience in local development projects and in European and International Cooperation Projects, defining new model of business creation and support. He has also managed the crises of various local medium-sized Umbria companies acting as a Member of the reversible business crisis working group, established since 2009 by the Region of Umbria to manage and find solutions for reversible business crises of companies with more than 30 employees.</p> <p>He is also an expert in job creation.</p>
<b>Title, full name and gender</b>	Dr. Alessandra Donati, female
<b>Profile</b>	<p>Graduated in Commercial and Industrial law, Alessandra Donati is a senior officer of Sviluppumbria, with 15+years experience providing information, business consulting and assistance to SMEs in different economic and legal fields. She provides information and assistance to SMEs in all phases related to the following activities and projects assigned to the Agency by the Region of Umbria aiming to increase innovation and competitiveness:</p> <ul style="list-style-type: none"> <li>• Enterprise creation and development;</li> <li>• female entrepreneurship, female business incubator</li> <li>• Design and development research with National and Community funds (Ob. 3 - provincial projects, community projects "Equal", "Galaxy"),</li> <li>• Regional law N°. 21/2002 and related Calls on "Interventions directed to the certification of quality management systems, environment, safety and ethics" (SPD Objective 2 2000-2006 Bando 2009): 1) formal assessment and the merits of the projects submitted by SMEs, 2) reporting of supported businesses, 3) monitoring of Umbrian contributions granted and revoked to SMEs.</li> <li>• Coordinator of the project contract, "Perugia for the Arts" on the development and promotion of artistic crafts sector on Umbria.</li> <li>• Structural survey of the industrial regional</li> </ul> <p>She has also developed a sound experience in employment policies and redundancies management, Job creation, European International and Cooperation projects, assistance to SMEs in Tourism and Environment related sectors.</p>

## **5. Ethics and security**

### **5.1 *Ethics***

- I-KAM2EU proposal does NOT present any ethics issues in the ethical issue table in the administrative proposal forms.

### **5.2 *Security***

- I-KAM2EU project does NOT involve activities or results raising security issues.
- I-KAM2EU project does NOT involve 'EU-classified information' as background or results.

## H2020 - Enterprise Europe Network - Consortium Work Programme (2015-2016) - Annex 1

Every Coordinator **must** use this EXCEL workbook:

- to encode in the 'Encode\_PES' sheet the Consortium's PES targets per partner for the DI 'Clients mentored' for the period 2015-2016;
- to encode in the 'Encode\_HRS' sheet the hours planned for the period 2015-2016 per partner;

Annex 1 should be uploaded in the SEP submission platform.

Work Programme duration: **24m**

Enter below your Consortium's ACRONYM

→ **I-KAM2EU** \* mandatory

→ Enter here the highest Partner number in your Consortium > (integer) > **7** \* mandatory

→ Enter below your partner's name(s)

Partner #	Partner name	Partner acronym
<b>1</b>	<b>PromoFirenze - Azienda Speciale della Camera di Commercio di Firenze</b>	<b>PF</b>
<b>2</b>	<b>Confindustria Toscana</b>	<b>CT</b>
<b>3</b>	<b>Eurosportello Confesercenti</b>	<b>EUC</b>
<b>4</b>	<b>Camera di Commercio di Ascoli Piceno</b>	<b>AP</b>
<b>5</b>	<b>Compagnia delle Opere Pesaro Urbino</b>	<b>CDO</b>
<b>6</b>	<b>CentroEsterioUmbria</b>	<b>CEU</b>
<b>7</b>	<b>Sviluppumbria</b>	<b>SVIL</b>



**Performance Enhancement System  
(PES)**

DI#	DI_LABEL	Consortium value is	Consortium I-KAM2EU	P01-PF	P02-CT	P03-EUC	P04-AP	P05-CDO	P06-CEU	P07-SVIL
DI11	# Clients mentored	sum(P)	96	0	21	21	14	15	11	14

Val_Type	A_TYPE	ACTIVITY_TYPE		Consortium I- KAM2EU	P01-PF	P02-CT	P03-EUC	P04-AP	P05-CDO	P06-CEU	P07-SVIL
HRS	A04	Innovation support activities	sum(P)	<b>5.376</b>	0	1.176	1.176	784	840	616	784
HRS			sum(P)	<b>5.376</b>		<b>1.176</b>	<b>1.176</b>	<b>784</b>	<b>840</b>	<b>616</b>	<b>784</b>

# ENTERPRISE EUROPE NETWORK

## CODE OF CONDUCT

### Preamble

The Code of Conduct is a key document for the Enterprise Europe Network which outlines the principles shared and followed by the Network partners to which they commit as members of the Network.

The concrete implementation of these principles, including recommendations and good practices, will be described in the Operational Manual.

By adhering to the Code of Conduct, the Partners commit to share the same core values, to follow the same operational principles and to respect the quality principles with regard to the key relationships.

### CHAPTER 1 - Core values

#### **PARTNERS**

**Professionalism**

**Adding European Value**

**Responsiveness**

**Trust**

**Network**

**Encouragement**

**Relationships**

**SME focus**

#### **Professionalism**

Professionals use their knowledge and skills to the benefit of their clients according to the state-of-the-art of their profession, using protocols when available and appropriate and discretion when needed.

- The manager consulted by his co-workers ensures the efficient use of resources and effective co-operation with other teams, in order to maximise the performance. He aims to realize the performance targets agreed upon, but never accepts unprofessional work.

- The manager ensures the constant development of the knowledge and skills of himself and his team. He also stimulates the contribution of his co-workers to the development of the profession/discipline.
- The work of the team must comply with quality principles and be assessed regularly by peers.

### **Adding European Value**

European added value means that the goals, methodology and nature of the co-operation undertaken have an aspect that is not merely confined to local, regional or even national interests, but which has a European scope.

It is possible to identify six potential ways to create European added value in Network activities:

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Promoting cross border and transnational activities</li> <li>• Making the most of the internal market for SMEs in terms of competitiveness</li> <li>• Assisting SMEs in interpreting and applying EU legislation</li> <li>• Informing and advising SMEs on accessing EU funding</li> <li>• Promoting best practices among Network partners</li> <li>• Contributing to and taking advantage of the Network effect</li> </ul> |
|--|

### **Responsiveness**

Responsiveness means being able to react quickly towards clients as well as other colleagues, by using an appropriate, polite way to acknowledge having received an enquiry and provide details on how quickly the information or support can be provided. A Network staff should be approachable (available on the phone/for meetings, etc.), flexible and knowledgeable on the subjects he/she talks about. The Network staff is mindful and respectful of the needs, drivers and motivations of the client.

### **Trust and trust-building**

Due to the interdependence of their activities, partners often depend on other partners to help their company clients. There is therefore a need for trust.

The Network should be "a place where people trust each other, are high performing, accountable, hold each other to high standards and are honest with each other."

### **Networking**

The Enterprise Europe Network is teamwork at its finest. Hundreds of highly committed people work in the Network, trying to make the internal market work for SMEs. Network partners have only limited time and budgets to do it. They understand the difficulty of their mission and are determined to achieve whatever they can. Members do not all have the same capabilities but offer a variety of skills, talents, experience and attitudes that enrich their support to their clients and colleagues and provide a broader range of options.

## Encouragement

The Network is only as strong as its weakest link. It is therefore important to ensure that all Network partners identify their strengths and areas of expertise, and share this knowledge with their colleagues. It is also important for Network partners to objectively identify weaknesses within their own consortia and find solutions to address them possibly in collaboration with other Network partners. Within this atmosphere of mutual respect of our strengths and weaknesses, and an open approach to sharing best practice, encouragement thrives.

Encouragement is not only restricted to the Network, but should extend to the relationships with clients and stakeholders. Partners have the expertise, knowledge and connections required for a company to innovate, internationalise and grow, and this should be exploited to clients' advantage.

## Relationships

Partnerships in business can be challenging. It is widely acknowledged that most partnerships fail. However, the ones that succeed can achieve much greater levels of success more rapidly than if the same individuals tried to achieve the same goals alone.

### **SME Focus: "THINKING BIG FOR SMALL BUSINESSES"**

- What are SMEs?  
Small and medium-sized enterprises (SMEs), are defined as economically independent companies with less than 250 employees and less than € 50 million annual turnover (or € 43 million annual balance sheet total). There are over 20 million in the EU, representing 99% of businesses.
- Why do we focus on SMEs? Why are they so important?
  - SMEs are responsible for the majority of new jobs created in Europe and contribute to growth and prosperity. Moreover, their capacity for innovation and flexibility in a changing business environment makes them crucial for Europe's success in the global economy.
  - SMEs do not have access to the same resources (financial, human, knowledge) than bigger companies which usually have specific departments to help them fulfil their international ambitions, find out about the legal situation, and obtain market intelligence. The Network can be the added „team” or „department” an SME needs to take their business further.
- Why do we need action at EU level?
  - SMEs around Europe face the same type of problems: administrative burden, difficulty to find financing and skilled labour, or to take opportunity of the Single Market. Addressing some of these problems together through a partnership between the EU and the Member States can bring considerable and tangible results.

- The Enterprise Europe Network is the gateway to competitiveness for European small businesses. Network partners can help businesses find business partners. They also assist them by raising awareness and by providing access to information needed to develop a business. Promoting transnational technology cooperation and ensuring access to innovative technologies is another priority of the Enterprise Europe Network.

## **CHAPTER 2 Main principles**

The Network partners commit to adhere to the following main principles.

### **Providing a professional service**

It is important for Network partners to provide a professional service for the benefit of their clients, as illustrated by the following actions:

- Recruit staff with at least the minimum qualification and experience required to efficiently deliver the Network's services to their clients.
- Endeavour to continuously update and improve the skills of individual staff members to help enhance the knowledge and expertise of the Network overall.
- Provide the same quality of service to clients of other Network Partners as they would to their own clients.
- Follow agreed Network processes and procedures at all times.
- Respect mutually established deadlines and be accountable for agreed measures and rules of the Network or Network Groups.
- Be realistic in the level of support they can offer to a colleague and communicate any difficulties that arise in delivering this support.

### **Adhering to the “no wrong door” principle**

It is of the utmost importance for Network Partners to adhere to the “No Wrong Door” principle.

This is one of the key principles of the Enterprise Europe Network and entails the implementation of an effective mechanism for signposting towards other providers of services in their region, for the benefit of all clients.

The “No Wrong Door” principle implies the following:

- Each client shall be guided towards the most appropriate service provider for their business needs.
- When the most appropriate service provider is not the Network Partner initially contacted, it will be the responsibility of that Network Partner to signpost the client to the correct service or organisation within the Network.

- When signposting a client to another provider within the Network, Network Partners can depend on their Network colleagues to follow the common values and principles set out in this Code of Conduct relating to response time, follow up and general behaviour which will ensure that their clients receive the best possible service. (See Chapter 3)
- Network Partners will build synergies with other complementary service providers outside the Network in their geographic area.
- Network Partners shall make sure that they know in detail what services other providers can offer, along with the correct contact details, to ensure their clients are signposted confidently and correctly.
- When signposting clients to a service provider outside the Network, Network Partners should attempt to agree in advance what level of service and standards their clients can expect to receive.
- Network Partners must not signpost a client to another service provider outside the Network, unless they are positive that this provider can fulfil a client's business needs with a prompt, high-quality service.

### **Being a cooperative and loyal member of the Network**

- Sharing a common vision, aims and values will enhance the commitment, enthusiasm and effectiveness of the Network, as well as allowing Network Partners to learn from each other and share good practice.
- Make the Network aware of areas of expertise, through Network tools or otherwise, and be prepared to use this expertise when assistance is requested from another Network Partner.

## **CHAPTER 3 Relationships with clients**

In their relationships with their clients, each Network Partner shall commit to:

### **Putting clients' interests first**

The Enterprise Europe Network aims to help businesses become more innovative and internationally competitive; therefore it is crucial that Network Partners give priority to activities and services which will assist their clients in this way.

Network Partners will put clients' interests first by:

- Delivering on all promises in terms of realistic services offered.
- Making sure that all clients have access to all appropriate services.
- Disregarding criteria for membership of Host Organisations and offering the same level of services to all potential clients in the region.

- Considering whether there is another Network Partner or service provider in the region who could better assist the client and signpost them, in line with the “No Wrong Door” principle.

### **Being responsive**

In order to provide clients with a professional and reliable service, Network Partners must respond to all clients’ requests quickly and comprehensively.

The following principles must be implemented:

- Network partners shall acknowledge receipt of messages within a reasonable time limit.
- Network Partners shall always provide a response to the client, no matter what the outcome.
- Network Partners are required to keep the client informed of the progress of their request.
- Network Partners shall inform the clients if their request has been signposted to another service provider and give an approximation of when they can expect to be contacted by this provider.

### **Upholding confidentiality and acting on authority**

Clients must be assured that all the information which they share will be kept confidential and It is therefore imperative that Network Partners protect this information with care and attention and do not pass on company or product details without prior consent.

### **Being open and transparent when outlining services**

To ensure clients have a clear understanding from the onset of the level of support which they will receive from the Network, it is essential for Network Partners to be both honest and realistic about the scope of services.

An outline of services must:

- Draw attention to the benefits of the Network, but prepare the client for both a positive and a negative result.
- Manage expectations with regard to the length of time required to collect comprehensive and good quality information from the Network.
- Clearly establish the terms of the two-way relationship between the Network Partner and the client with regard to limits of the intervention, communication of preliminary information from the client, possible costs for the client and anticipated response times.
- Highlight additional or complementary services which might also be available within the Network or region, in line with the “No Wrong Door” principle.



## **Following up**

To contribute to the professionalism of the Network and to maintain good working relationships, it is necessary for Network Partners to stay in regular contact with the client and react to any changes in situation or any feedback given.

The time frame and the method used for this follow-up will be determined by Network Partners, depending on the service provided and the number of companies to be contacted.

Network Partners should actively seek feedback on the level of client satisfaction and use this as one of the measures of the quality of their services.

## **CHAPTER 4 Relationships between Partners within the Enterprise Europe Network**

In their relationships with other Network Partners and with the Executive Agency, each Network Partner shall commit to:

### **Being pro-active**

Each Network partner should actively build up and maintain relations with other Network partners, particularly in other Member States, in order to facilitate cooperation for providing Network services.

### **Being responsive**

To contribute to the value and effectiveness of the Network, it is essential that Network Partners respond to messages, enquiries and requests promptly and comprehensively.

Network Partners will always provide a response, no matter what the outcome.

### **Being responsible with all correspondence**

To ensure smooth, successful communication within the Network, avoid wasting time and ultimately guarantee a better service for our clients, it is necessary that Network Partners are not only prompt, but also act responsibly with regards to the messages which they both send and receive.

## **CHAPTER 5 Relationships within the Network, at a national level**

In their relationships with other Network Partners at a national level, each Network Partner shall commit to:

### **Keeping in regular contact with other Network Partners in their country**

To develop a strong and cooperative relationship where all Network Partners work together for the benefit of increasing competitiveness and innovation of SMEs in their country, it is important for the Network Partners to ensure open and regular communication with other network partners in their country.

To maintain this open communication, it is recommended that:

- Network partners are aware of the strengths and expertise of their fellow national Network partners
- Network partners commit to establish and maintain suitable communication at a national level, taking into account each country's specificities.

#### **Contributing to Enterprise Europe Network's visibility at a national level**

All Network partners should contribute to the national visibility of the Network, ensuring that both SMEs and national stakeholders are aware of the activities and services of the Enterprise Europe Network in their country.

The following activities should be considered:

- Representing the interests of the Network, rather than individual Network Partners, when communicating with national stakeholders.
- Interacting with the European Commission Representation Office in their country and looking for opportunities for combined activities.

## **CHAPTER 6 Relationships within the consortium**

In their relationships with other Network Partners within their consortium, each Network Partner shall commit to:

#### **Creating a common consortium identity at regional level**

To highlight the activities and services provided by the consortium to all clients and stakeholders in a particular region, it is important to publicise the existence of the consortium and to ensure that Network Partners can be identified as being part of the consortium.

#### **Being aware of other Partners' expertise within the consortium**

To ensure correct signposting within the consortium, and respect the "No Wrong Door" principle, it is necessary to make sure that each Network Partner has sufficient knowledge of the strengths and competences of their fellow consortium members.

#### **Keeping in regular contact with colleagues in the consortium**

In order to establish successful and durable working relationships, Network Partners must stay in frequent contact with fellow consortium members.

#### **Sharing important information within the consortium**

A two-way flow of important information between Consortium Coordinators and Network Partners is vital to ensure successful communication with clients, Network Partners, regional stakeholders and the EASME. Network Partners should inform their Consortium coordinator of any issues impacting the consortium.

### **Ensuring internal consortium management**

Compliance with the internal consortium agreement signed by the partners is essential to ensure that the consortium works together, delivers its activities and fulfils its contractual obligations.

## **CHAPTER 7 Relationships with other business support services**

In their relationships with other business support services, each Network Partner shall commit to:

### **Being knowledgeable about the services of other business support services**

To be able to advise clients on the full range of complementary services on offer in their region, it is necessary for each Network Partner to have sufficient knowledge of all EU business-related support services and other business support organisations active locally.

### **Being cooperative and finding synergies**

To develop stronger working relationships and for the benefit of increasing competitiveness and innovation of SMEs in their country, it is important for the Network Partners to increase collaboration with other business support services and find synergies with their own services and activities.

### **Being proactive**

To enhance the effectiveness of cooperation between all business support services for the benefit of clients, it is advisable for Network Partners to take the initiative in bringing all support services together with the aim of working closer together in the region.

### **Signposting clients to other business support services**

To make full use of all expertise and experience available and to ensure clients receive assistance no matter who they approach and in line with the “No Wrong Door” principle, it is fundamental for Network Partners to actively signpost to the other business support services.

ESTIMATED BUDGET FOR THE ACTION (page 1 of 2)

Estimated eligible <sup>1</sup> costs (per budget category)									EU contribution			Additional information		
A. Direct personnel costs		B. Direct costs of subcontracting	C. Direct costs of fin. support	D. Other direct costs	E. Indirect costs <sup>2</sup>	Total costs	Reimbursement rate %	Maximum EU contribution <sup>3</sup>	Maximum grant amount <sup>4</sup>	Information for indirect costs	Information for auditors	Other information:		
A.1 Employees (or equivalent) A.2 Natural persons under direct contract A.3 Seconded persons [A.6 Personnel for providing access to research infrastructure]		A.4 SME owners without salary A.5 Beneficiaries that are natural persons without salary		D.1 Travel D.2 Equipment D.3 Other goods and services D.4 Costs of large research infrastructure						Estimated costs of in-kind contributions not used on premises	Declaration of costs under Point D.4	Estimated costs of beneficiaries/ linked third parties not receiving EU funding		
Form of costs <sup>5</sup>	Actual	Unit <sup>6</sup>	Unit	Actual	Actual	Actual	Flat-rate <sup>7</sup>							
	(a)	Total (b)	No hours Total (c)	(d)	(e)	(f)	(g)=0,25x (a+b+f-m) 25%	(i)=a+b+d+f+g	(j)				(k)	(l)
1. METROPOLI <sup>8</sup>													0.00	
2. Confindustria Toscana	47392.80	0.00			0.00		11848.20	59241.00	100.00	59241.00		0.00		
3. Europortello Confesercenti	35338.80	0.00			0.00		8834.70	44173.50	100.00	44173.50		0.00		
4. CAMERA DI COMMERCIO INDUSTRIA ARTIGIANATO E AGRICOLTURA DI ASCOLI PICENO <sup>8</sup>													0.00	
- Piceno Promozione	26710.88	0.00			0.00		6677.72	33388.60	100.00	33388.60		0.00		
Total beneficiary 4	26710.88	0.00			0.00		6677.72	33388.60		33388.60	33388.60	0.00		
5. Compagnia delle Opere Pesaro Urbino	18026.40	0.00			0.00		4506.60	22533.00	100.00	22533.00		0.00		
6. CENTROESTERO	22151.36	0.00			0.00		5537.84	27689.20	100.00	27689.20		0.00		
7. SVILUPPUMBRIA SPA	30662.24	0.00			0.00		7665.56	38327.80	100.00	38327.80		0.00		
Total consortium	180282.48	0.00			0.00		45070.62	225353.10		225353.10	225353.10	0.00	0.00	

## ESTIMATED BUDGET FOR THE ACTION (page 2 of 2)

- (1) See Article 5 SGA for the eligibility conditions.
- (2) The indirect costs claimed must be free of any amounts covered by an operating grant (received under any EU or Euratom funding programme; see Article 5.2.E SGA). A partner that receives an operating grant during the action's duration cannot claim any indirect costs for the year(s)/reporting period(s) covered by the operating grant.
- (3) This is the theoretical amount of EU contribution that the system calculates automatically (by multiplying all the budgeted costs by the reimbursement rate). This theoretical amount is capped by the 'maximum grant amount' (that the Agency decided to grant for the action) (see Article 4.1 SGA).
- (4) The 'maximum grant amount' is the maximum grant amount decided by the Agency. It normally corresponds to the requested grant, but may be lower.
- (5) See Article 4 SGA for the forms of costs.
- (6) Unit : hours worked on the action; costs per unit (hourly rate) : calculated according to partner's usual accounting practice.
- (7) Flat rate : 25% of eligible direct costs, from which are excluded: direct costs of subcontracting, costs of in-kind contributions provided by third parties which are not used on the partner's premises (see Article 5.2.E.SGA).
- (8) See Article 7 for beneficiaries not receiving EU funding.
- (9) Only for linked third parties that receive EU funding.

MODEL ANNEX 3 FOR EASME EEN SGA H2020 — MULTI

FINANCIAL STATEMENT FOR [PARTNER [name]/ LINKED THIRD PARTY [name]] FOR REPORTING PERIOD [number]

Eligible <sup>1</sup> costs (per budget category)											Receipts	EU contribution			Additional information		
A. Direct personnel costs		B. Direct costs of subcontracting		[C. Direct costs of fin. support]		D. Other direct costs	E. Indirect costs <sup>2</sup>	[F. Costs of ... ]			Total costs	Receipts	Reimbursement rate %	Maximum EU contribution <sup>3</sup>	Requested EU contribution	Information for indirect costs:	
A.1 Employees (or equivalent)		A.4 SME owners without salary		[C.1 Financial support]		D.1 Travel	Flat-rate <sup>5</sup> 25%	[F.1 Costs of ...]		[F.2 Costs of ...]		Receipts of the action, to be reported in the last reporting period, according to Article 4.3.3 SGA				Costs of in-kind contributions not used on premises	
A.2 Natural persons under direct contract		A.5 Beneficiaries that are natural persons without salary		[C.2 Prizes]		D.2 Equipment											
A.3 Persons seconded by third parties						D.3 Other goods and services											
Form of costs <sup>4</sup>	Actual	Unit	Unit		Actual	Actual	Actual	Unit		Unit							
	a	b	No hours	Total c	d	[e]	f	g = 0,25 * (a+b+f-n)	No units	Total [h1]	Total [h2]	i = a+b+d+f+g	j	k	l	m	n
[short name partner/linked third party]																	

**The partner/linked third party hereby confirms that:**  
 The information provided is complete, reliable and true.  
 The costs declared are eligible (see Article 5 SGA).  
 The costs can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 23, 24 and 28 FPA).  
 For the last reporting period: that all the receipts have been declared (see Article 4.3.3 SGA).

Ⓞ Please declare all eligible costs, even if they exceed the amounts indicated in the estimated budget (see Annex 2). Only amounts that were declared in your individual financial statements can be taken into account lateron, in order to replace other costs that are found to be ineligible.

<sup>1</sup> See Article 5 SGA for the eligibility conditions.

<sup>2</sup> The indirect costs claimed must be free of any amounts covered by an operating grant (received under any EU or Euratom funding programme; see Article 5.2.E SGA). If you have received an operating grant during this reporting period, you cannot claim any indirect costs.

<sup>3</sup> This is the *theoretical* amount of EU contribution that the system calculates automatically (by multiplying the reimbursement rate by the total costs declared). The amount you request (in the column 'requested EU contribution') may have to be less.

<sup>4</sup> See Article 4 SGA for the forms of costs.

<sup>5</sup> Flat rate : 25% of eligible direct costs, from which are excluded: direct costs of subcontracting, costs of in-kind contributions provided by third parties which are not used on the partner's premises (see Article 5.2.E SGA).

**MODEL FOR THE CERTIFICATE ON THE FINANCIAL STATEMENTS (CFS)**

- For options [*in italics in square brackets*]: choose the applicable option. Options not chosen should be deleted.
- For fields in [grey in square brackets]: enter the appropriate data

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## **Terms of Reference for an Independent Report of Factual Findings on costs declared under a Specific Agreement financed under the Horizon 2020 Research and Innovation Framework Programme**

This document sets out the ‘**Terms of Reference (ToR)**’ under which

**[OPTION 1:** [insert name of the partner] (*‘the Partner’*)] **[OPTION 2:** [insert name of the linked third party] (*‘the Linked Third Party’*), third party linked to the Partner [insert name of the partner] (*‘the Partner’*)]

agrees to engage

**[insert legal name of the auditor]** (*‘the Auditor’*)

to produce an independent report of factual findings (*‘the Report’*) concerning the Financial Statement(s)<sup>1</sup> drawn up by the [Partner] [Linked Third Party] for the Horizon 2020 specific agreement [insert number of the specific agreement, title of the specific action, acronym and duration from/to] (*‘the Agreement’*), and

to issue a Certificate on the Financial Statements’ (*‘CFS’*) referred to in Article 16 of the Specific Agreement based on the compulsory reporting template stipulated by the Commission.

The Agreement has been concluded under the Horizon 2020 Research and Innovation Framework Programme (H2020) between the Partner and Executive Agency for Small and Medium-sized Enterprises (EASME) (*‘the Agency’*), under the powers delegated by the European Commission (*‘the Commission’*).

The Agency is mentioned as a signatory of the Agreement with the *Partner* only. The Agency is not a party to this engagement.

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<sup>1</sup> By which costs under the Agreement are declared (see template ‘Model Financial Statements’ in Annex 4 to the Specific Grant Agreement).



## 1.1 Subject of the engagement

The coordinator must submit to the Agency the final report within 60 days following the end of the last reporting period which should include, amongst other documents, a CFS for each *partner* and for each linked third party that requests a total contribution of EUR 325 000 or more, as reimbursement of actual costs and unit costs calculated on the basis of its usual cost accounting practices (see Article 16 of the Specific Agreement). The CFS must cover all reporting periods of the partner or linked third party indicated above.

The *Partner* must submit to the coordinator the CFS for itself and for its linked third party(ies), if the CFS must be included in the final report according to Article 16 of the Specific Agreement..

The CFS is composed of two separate documents:

- The Terms of Reference ('the ToR') to be signed by the *[Partner]* *[Linked Third Party]* and the Auditor;
- The Auditor's Independent Report of Factual Findings ('the Report') to be issued on the Auditor's letterhead, dated, stamped and signed by the Auditor (or the competent public officer) which includes the agreed-upon procedures ('the Procedures') to be performed by the Auditor, and the standard factual findings ('the Findings') to be confirmed by the Auditor.

If the CFS must be included in the final report according to Article 16 of the Specific Agreement, the request for payment of the balance relating to the Agreement cannot be made without the CFS. However, the payment for reimbursement of costs covered by the CFS does not preclude the Commission, the Agency, the European Anti-Fraud Office and the European Court of Auditors from carrying out checks, reviews, audits and investigations in accordance with Article 27 of the Framework Partnership Agreement.

## 1.2 Responsibilities

The *[Partner]* *[Linked Third Party]*:

- must draw up the Financial Statement(s) for the action financed by the Agreement in compliance with the obligations under the Agreement. The Financial Statement(s) must be drawn up according to the *[Partner's]* *[Linked Third Party's]* accounting and book-keeping system and the underlying accounts and records;
- must send the Financial Statement(s) to the Auditor;
- is responsible and liable for the accuracy of the Financial Statement(s);
- is responsible for the completeness and accuracy of the information provided to enable the Auditor to carry out the Procedures. It must provide the Auditor with a written representation letter supporting these statements. The written representation letter must state the period covered by the statements and must be dated;
- accepts that the Auditor cannot carry out the Procedures unless it is given full access to the *[Partner's]* *[Linked Third Party's]* staff and accounting as well as any other relevant records and documentation.

The Auditor:

- *[Option 1 by default: is qualified to carry out statutory audits of accounting documents in accordance with Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC or similar national regulations].*

- *[Option 2 if the Partner or Linked Third Party has an independent Public Officer: is a competent and independent Public Officer for which the relevant national authorities have established the legal capacity to audit the Partner].*
- *[Option 3 if the Partner or Linked Third Party is an international organisation: is an [internal] [external] auditor in accordance with the internal financial regulations and procedures of the international organisation].*

The Auditor:

- must be independent from the Partner *[and the Linked Third Party]*, in particular, it must not have been involved in preparing the *[Partner's] [Linked Third Party's]* Financial Statement(s);
- must plan work so that the Procedures may be carried out and the Findings may be assessed;
- must adhere to the Procedures laid down and the compulsory report format;
- must carry out the engagement in accordance with this ToR;
- must document matters which are important to support the Report;
- must base its Report on the evidence gathered;
- must submit the Report to the *[Partner] [Linked Third Party]*.

The Commission sets out the Procedures to be carried out by the Auditor. The Auditor is not responsible for their suitability or pertinence. As this engagement is not an assurance engagement, the Auditor does not provide an audit opinion or a statement of assurance.

### 1.3 Applicable Standards

The Auditor must comply with these Terms of Reference and with<sup>2</sup>:

- the International Standard on Related Services ('ISRS') 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as issued by the International Federation of Accountants (IFAC);
- the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 states that independence is not a requirement for engagements to carry out agreed-upon procedures, the Agency requires that the Auditor also complies with the Code's independence requirements.

The Auditor's Report must state that there is no conflict of interests in establishing this Report between the Auditor and the Partner *[and the Linked Third Party]*, and must specify - if the service is invoiced - the total fee paid to the Auditor for providing the Report.

### 1.4 Reporting

The Report must be written in the language of the Agreement (see Article 16 SGA).

Under Article 27 of the Framework Partnership Agreement, the Commission, *the Agency*, the European Anti-Fraud Office and the Court of Auditors have the right to audit any work that is carried out under the specific action and for which costs are declared from the European Union budget. This includes work related to this engagement. The Auditor must provide access to all working papers (e.g. recalculation of hourly rates, verification of the time declared for the action) related to this assignment if the Commission, the Agency, the European Anti-Fraud Office or the European Court of Auditors requests them.

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<sup>2</sup> Supreme Audit Institutions applying INTOSAI-standards may carry out the Procedures according to the corresponding International Standards of Supreme Audit Institutions and code of ethics issued by INTOSAI instead of the International Standard on Related Services ('ISRS') 4400 and the Code of Ethics for Professional Accountants issued by the IFAC.

Specific Grant Agreement number: [insert number] [insert acronym] [insert call identifier]

EU Model Grant Agreements: EASME EEN SGA H2020 — Multi: V2.0 – dd.mm.2015

### 1.5 Timing

The Report must be provided by [dd Month yyyy].

### 1.6 Other terms

*[The [Partner] [Linked Third Party] and the Auditor can use this section to agree other specific terms, such as the Auditor's fees, liability, applicable law, etc. Those specific terms must not contradict the terms specified above.]*

[legal name of the Auditor]

[name & function of authorised representative]

[dd Month yyyy]

Signature of the Auditor

[legal name of the [Partner][Linked Third Party]]

[name & function of authorised representative]

[dd Month yyyy]

Signature of the [Partner][Linked Third Party]

Specific Grant Agreement number: [insert number] [insert acronym] [insert call identifier]

EU Model Grant Agreements: EASME EEN SGA H2020 — Multi: V2.0 – dd.mm.2015

## Independent Report of Factual Findings on costs declared under Horizon 2020 Research and Innovation Framework Programme

*(To be printed on the Auditor's letterhead)*

To  
[ name of contact person(s)], [Position]  
[ [Partner's] [Linked Third Party's] name ]  
[ Address]  
[ dd Month yyyy]

Dear [Name of contact person(s)],

As agreed under the terms of reference dated [dd Month yyyy]

with **[OPTION 1: [insert name of the partner] ('the Partner')]** **[OPTION 2: [insert name of the linked third party] ('the Linked Third Party'), third party linked to the Partner [insert name of the partner] ('the Partner')]**,

we

[name of the auditor] ('the Auditor'),  
established at [full address/city/state/province/country],  
represented by [name and function of an authorised representative],

have carried out the procedures agreed with you regarding the costs declared in the Financial Statement(s)<sup>3</sup> of the [Partner] [Linked Third Party] concerning the specific grant agreement

[insert specific agreement reference: number, title of the action and acronym] ('the Agreement'),

with a total cost declared of [total amount] EUR,

and a total of actual costs and 'direct personnel costs declared as unit costs calculated in accordance with the [Partner's] [Linked Third Party's] usual cost accounting practices' declared of

[sum of total actual costs and total direct personnel costs declared as unit costs calculated in accordance with the [Partner's] [Linked Third Party's] usual cost accounting practices] EUR

and **hereby provide our Independent Report of Factual Findings ('the Report')** using the compulsory report format agreed with you.

### **The Report**

Our engagement was carried out in accordance with the terms of reference ('the ToR') appended to this Report. The Report includes the agreed-upon procedures ('the Procedures') carried out and the standard factual findings ('the Findings') examined.

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<sup>3</sup> By which the Partner declares costs under the Specific Agreement (see template 'Model Financial Statement' in Annex 3 to the Specific Agreement).

The Procedures were carried out solely to assist the Agency in evaluating whether the [Partner's] [Linked Third Party's] costs in the accompanying Financial Statement(s) were declared in accordance with the Agreement. The Agency draws its own conclusions from the Report and any additional information it may require.

The scope of the Procedures was defined by the Commission. Therefore, the Auditor is not responsible for their suitability or pertinence. Since the Procedures carried out constitute neither an audit nor a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, the Auditor does not give a statement of assurance on the Financial Statements.

Had the Auditor carried out additional procedures or an audit of the [Partner's] [Linked Third Party's] Financial Statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to its attention and would have been included in the Report.

### **Not applicable Findings**

We examined the Financial Statement(s) stated above and considered the following Findings not applicable:

*Explanation (to be removed from the Report):*

*If a Finding was not applicable, it must be marked as 'N.A.' ('Not applicable') in the corresponding row on the right-hand column of the table and means that the Finding did not have to be corroborated by the Auditor and the related Procedure(s) did not have to be carried out.*

*The reasons of the non-application of a certain Finding must be obvious i.e.*

- i) if no cost was declared under a certain category then the related Finding(s) and Procedure(s) are not applicable;*
- ii) if the condition set to apply certain Procedure(s) are not met the related Finding(s) and those Procedure(s) are not applicable. For instance, for Partners with accounts established in a currency other than euro' the Procedure and Finding related to 'partners with accounts established in euro' are not applicable. Similarly, if no additional remuneration is paid, the related Finding(s) and Procedure(s) for additional remuneration are not applicable.*

**List here all Findings considered not applicable for the present engagement and explain the reasons of the non-applicability.**

....

### **Exceptions**

Apart from the exceptions listed below, the [Partner] [Linked Third Party] provided the Auditor all the documentation and accounting information needed by the Auditor to carry out the requested Procedures and evaluate the Findings.

*Explanation (to be removed from the Report):*

- If the Auditor was not able to successfully complete a procedure requested, it must be marked as 'E' ('Exception') in the corresponding row on the right-hand column of the table. The reason such as the inability to reconcile key information or the unavailability of data that prevents the Auditor from carrying out the Procedure must be indicated below.*
- If the Auditor cannot corroborate a standard finding after having carried out the corresponding procedure, it must also be marked as 'E' ('Exception') and, where possible,*

*the reasons why the Finding was not fulfilled and its possible impact must be explained here below.*

**List here any exceptions and add any information on the cause and possible consequences of each exception, if known. If the exception is quantifiable, include the corresponding amount.**

....

*Example (to be removed from the Report):*

1. *The Partner was unable to substantiate the Finding number 1 on ... because ....*
2. *Finding number 30 was not fulfilled because the methodology used by the partner to calculate unit costs was different from the one approved by the Commission. The differences were as follows: ...*
3. *After carrying out the agreed procedures to confirm the Finding number 31, the Auditor found a difference of \_\_\_\_\_ EUR. The difference can be explained by ...*

### **Further Remarks**

In addition to reporting on the results of the specific procedures carried out, the Auditor would like to make the following general remarks:

*Example (to be removed from the Report):*

1. *Regarding Finding number 8 the conditions for additional remuneration were considered as fulfilled because ...*
2. *In order to be able to confirm the Finding number 15 we carried out the following additional procedures: ....*

### **Use of this Report**

This Report may be used only for the purpose described in the above objective. It was prepared solely for the confidential use of the [Partner] [Linked Third Party] and the Agency, and only to be submitted to the Agency in connection with the requirements set out in Article 16 of the Specific Agreement. The Report may not be used by the [Partner] [Linked Third Party] or by the Agency for any other purpose, nor may it be distributed to any other parties. The Agency may only disclose the Report to authorised parties, in particular to the European Anti-Fraud Office (OLAF) and the European Court of Auditors.

This Report relates only to the Financial Statement(s) submitted to the Agency by the [Partner] [Linked Third Party] for the Agreement. Therefore, it does not extend to any other of the [Partner's] [Linked Third Party's] Financial Statement(s).

There was no conflict of interest<sup>4</sup> between the Auditor and the Partner [and Linked Third Party] in establishing this Report. The total fee paid to the Auditor for providing the Report was EUR [ ] (including EUR [ ] of deductible VAT).

<sup>4</sup> A conflict of interest arises when the Auditor's objectivity to establish the certificate is compromised in fact or in appearance when the Auditor for instance:

- was involved in the preparation of the Financial Statements;
- stands to benefit directly should the certificate be accepted;
- has a close relationship with any person representing the Partner;
- is a director, trustee or partner of the Partner; or

Specific Grant Agreement number: [insert number] [insert acronym] [insert call identifier]

EU Model Grant Agreements: EASME EEN SGA H2020 — Multi: V2.0 – dd.mm.2015

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance.

[legal name of the Auditor]

[name and function of an authorised representative]

[dd Month yyyy]

Signature of the Auditor

- 
- is in any other situation that compromises his or her independence or ability to establish the certificate impartially.

### Agreed-upon procedures to be performed and standard factual findings to be confirmed by the Auditor

The European Commission reserves the right to i) provide the auditor with additional guidance regarding the procedures to be followed or the facts to be ascertained and the way in which to present them (this may include sample coverage and findings) or to ii) change the procedures, by notifying the Partner in writing. The procedures carried out by the auditor to confirm the standard factual finding are listed in the table below.

If this certificate relates to a Linked Third Party, any reference here below to ‘the Partner’ is to be considered as a reference to ‘the Linked Third Party’.

The ‘result’ column has three different options: ‘C’, ‘E’ and ‘N.A.’:

- ‘C’ stands for ‘confirmed’ and means that the auditor can confirm the ‘standard factual finding’ and, therefore, there is no exception to be reported.
- ‘E’ stands for ‘exception’ and means that the Auditor carried out the procedures but cannot confirm the ‘standard factual finding’, or that the Auditor was not able to carry out a specific procedure (e.g. because it was impossible to reconcile key information or data were unavailable),
- ‘N.A.’ stands for ‘not applicable’ and means that the Finding did not have to be examined by the Auditor and the related Procedure(s) did not have to be carried out. The reasons of the non-application of a certain Finding must be obvious i.e. i) if no cost was declared under a certain category then the related Finding(s) and Procedure(s) are not applicable; ii) if the condition set to apply certain Procedure(s) are not met then the related Finding(s) and Procedure(s) are not applicable. For instance, for ‘Partners with accounts established in a currency other than the euro’ the Procedure related to ‘partners with accounts established in euro’ is not applicable. Similarly, if no additional remuneration is paid, the related Finding(s) and Procedure(s) for additional remuneration are not applicable.

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
<b>A</b>	<b>ACTUAL PERSONNEL COSTS AND UNIT COSTS CALCULATED BY THE PARTNER IN ACCORDANCE WITH ITS USUAL COST ACCOUNTING PRACTICE</b>		
	<p>The Auditor draws a sample of persons whose costs were declared in the Financial Statement(s) to carry out the procedures indicated in the consecutive points of this section A.</p> <p><i>(The sample should be selected randomly so that it is representative. Full coverage is required if there are fewer than 10 people (including employees, natural persons working under a direct contract and personnel seconded by a third party), otherwise the sample should have a minimum of 10 people, or 10% of the total, whichever number is the highest)</i></p> <p>The Auditor sampled [ ] people out of the total of [ ] people.</p>		



Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
A.1	<p><b>PERSONNEL COSTS</b></p> <p><u>For the persons included in the sample and working under an employment contract or equivalent act (general procedures for individual actual personnel costs and personnel costs declared as unit costs)</u></p> <p>To confirm standard factual findings 1-5 listed in the next column, the Auditor reviewed following information/documents provided by the Partner:</p> <ul style="list-style-type: none"> <li>○ a list of the persons included in the sample indicating the period(s) during which they worked for the action, their position (classification or category) and type of contract;</li> <li>○ the payslips of the employees included in the sample;</li> <li>○ reconciliation of the personnel costs declared in the Financial Statement(s) with the accounting system (project accounting and general ledger) and payroll system;</li> <li>○ information concerning the employment status and employment conditions of personnel included in the sample, in particular their employment contracts or equivalent;</li> <li>○ the Partner’s usual policy regarding payroll matters (e.g. salary policy, overtime policy, variable pay);</li> <li>○ applicable national law on taxes, labour and social security and</li> <li>○ any other document that supports the personnel costs declared.</li> </ul> <p>The Auditor also verified the eligibility of all components of the retribution (see Article 5 SGA) and recalculated the personnel costs for employees included in the sample.</p>	<p>1) The employees were i) directly hired by the Partner in accordance with its national legislation, ii) under the Partner’s sole technical supervision and responsibility and iii) remunerated in accordance with the Partner’s usual practices.</p> <p>2) Personnel costs were recorded in the Partner's accounts/payroll system.</p> <p>3) Costs were adequately supported and reconciled with the accounts and payroll records.</p> <p>4) Personnel costs did not contain any ineligible elements.</p> <p>5) There were no discrepancies between the personnel costs charged to the action and the costs recalculated by the Auditor.</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p><i>Further procedures if ‘additional remuneration’ is paid</i></p> <p>To confirm standard factual findings 6-9 listed in the next column, the Auditor:</p> <ul style="list-style-type: none"> <li>○ reviewed relevant documents provided by the Partner (legal form, legal/statutory obligations, the Partner’s usual policy on additional remuneration, criteria used for its calculation...);</li> <li>○ recalculated the amount of additional remuneration eligible for the action based on the supporting documents received (full-time or part-time work, exclusive or non-exclusive dedication to the action, etc.) to arrive at the applicable FTE/year and pro-rata rate (see data collected in the course of carrying out the procedures under A.2 ‘Productive hours’ and A.4 ‘Time recording system’).</li> </ul> <p><i>IF ANY PART OF THE REMUNERATION PAID TO THE EMPLOYEE IS NOT MANDATORY ACCORDING TO THE NATIONAL LAW OR THE EMPLOYMENT CONTRACT ("ADDITIONAL REMUNERATION") AND IS ELIGIBLE UNDER THE PROVISIONS OF ARTICLE 5.2.A.1, THIS CAN BE CHARGED AS ELIGIBLE COST TO THE ACTION UP TO THE FOLLOWING AMOUNT:</i></p> <p><i>(A) IF THE PERSON WORKS FULL TIME AND EXCLUSIVELY ON THE ACTION DURING THE FULL YEAR: UP TO EUR 8 000/YEAR;</i></p> <p><i>(B) IF THE PERSON WORKS EXCLUSIVELY ON THE ACTION BUT NOT FULL-TIME OR NOT FOR THE FULL YEAR: UP TO THE CORRESPONDING PRO-RATA AMOUNT OF EUR 8 000, OR</i></p> <p><i>(C) IF THE PERSON DOES NOT WORK EXCLUSIVELY ON THE ACTION: UP TO A PRO-RATA AMOUNT CALCULATED IN ACCORDANCE TO ARTICLE 5.2.A.1.</i></p>	<p>6) The Partner paying “additional remuneration” was a non-profit legal entity.</p> <p>7) The amount of additional remuneration paid corresponded to the Partner’s usual remuneration practices and was consistently paid whenever the same kind of work or expertise was required.</p> <p>8) The criteria used to calculate the additional remuneration were objective and generally applied by the Partner regardless of the source of funding used.</p> <p>9) The amount of additional remuneration included in the personnel costs charged to the action was capped at EUR 8,000 per FTE/year (up to the equivalent pro-rata amount if the person did not work on the action full-time during the year or did not work exclusively on the action).</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p><i>Additional procedures in case “unit costs calculated by the Partner in accordance with its usual cost accounting practices” is applied:</i></p> <p>Apart from carrying out the procedures indicated above to confirm standard factual findings 1-5 and, if applicable, also 6-9, the Auditor carried out following procedures to confirm standard factual findings 10-13 listed in the next column:</p> <ul style="list-style-type: none"> <li>○ obtained a description of the Partner's usual cost accounting practice to calculate unit costs;.</li> <li>○ reviewed whether the Partner's usual cost accounting practice was applied for the Financial Statements subject of the present CFS;</li> <li>○ verified the employees included in the sample were charged under the correct category (in accordance with the criteria used by the Partner to establish personnel categories) by reviewing the contract/HR-record or analytical accounting records;</li> <li>○ verified that there is no difference between the total amount of personnel costs used in calculating the cost per unit and the total amount of personnel costs recorded in the statutory accounts;</li> <li>○ verified whether actual personnel costs were adjusted on the basis of budgeted or estimated elements and, if so, verified whether those elements used are actually relevant for the calculation, objective and supported by documents.</li> </ul>	10) The personnel costs included in the Financial Statement were calculated in accordance with the Partner's usual cost accounting practice. This methodology was consistently used in all H2020 actions.	
		11) The employees were charged under the correct category.	
		12) Total personnel costs used in calculating the unit costs were consistent with the expenses recorded in the statutory accounts.	
		13) Any estimated or budgeted element used by the Partner in its unit-cost calculation were relevant for calculating personnel costs and corresponded to objective and verifiable information.	
	<p><u>For natural persons included in the sample and working with the Partner under a direct contract other than an employment contract, such as consultants (no subcontractors).</u></p>	14) The natural persons reported to the Partner (worked under the Partner’s instructions).	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>To confirm standard factual findings 14-18 listed in the next column the Auditor reviewed following information/documents provided by the Partner:</p> <ul style="list-style-type: none"> <li>○ the contracts, especially the cost, contract duration, work description, place of work, ownership of the results and reporting obligations to the Partner;</li> <li>○ the employment conditions of staff in the same category to compare costs and;</li> <li>○ any other document that supports the costs declared and its registration (e.g. invoices, accounting records, etc.).</li> </ul>	15) They worked on the Partner’s premises (unless otherwise agreed with the Partner).	
		16) The results of work carried out belong to the Partner.	
		17) Their costs were not significantly different from those for staff who performed similar tasks under an employment contract with the Partner.	
		18) The costs were supported by audit evidence and registered in the accounts.	
	<p><u>For personnel seconded by a third party and included in the sample (not subcontractors)</u></p> <p>To confirm standard factual findings 19-22 listed in the next column, the Auditor reviewed following information/documents provided by the Partner:</p> <ul style="list-style-type: none"> <li>○ their secondment contract(s) notably regarding costs, duration, work description, place of work and ownership of the results;</li> <li>○ if there is reimbursement by the Partner to the third party for the resource made available (in-kind contribution against payment): any documentation that supports the costs declared (e.g. contract, invoice, bank payment, and proof of registration in its accounting/payroll, etc.) and reconciliation of the Financial Statement(s) with the accounting system (project accounting and general ledger) as well as any proof that the amount invoiced by the third party did not include any profit.</li> </ul>	19) Seconded personnel reported to the Partner and worked on the Partner’s premises (unless otherwise agreed with the Partner).	
		20) The results of work carried out belong to the Partner.	
		<p><i>If personnel is seconded against payment:</i></p> <p>21) The costs declared were supported with documentation and recorded in the Partner’s</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<ul style="list-style-type: none"> <li>○ if there is no reimbursement by the Partner to the third party for the resource made available (in-kind contribution free of charge): a proof of the actual cost borne by the Third Party for the resource made available free of charge to the Partner such as a statement of costs incurred by the Third Party and proof of the registration in the Third Party's accounting/payroll,;</li> <li>○ any other document that supports the costs declared (e.g. invoices, etc.).</li> </ul>	<p>accounts. The third party did not include any profit.</p> <p><i>If personnel is seconded free of charge:</i></p> <p>22) The costs declared did not exceed the third party's cost as recorded in the accounts of the third party and were supported with documentation.</p>	
A.2	<p><b>PRODUCTIVE HOURS</b></p> <p>To confirm standard factual findings 23-28 listed in the next column, the Auditor reviewed relevant documents, especially national legislation, labour agreements and contracts and time records of the persons included in the sample, to verify that:</p> <ul style="list-style-type: none"> <li>○ the annual productive hours applied were calculated in accordance with one of the methods described below,</li> <li>○ the full-time equivalent (FTEs) ratios for employees not working full-time were correctly calculated.</li> </ul> <p>If the Partner applied method B, the auditor verified that the correctness in which the total number of hours worked was calculated and that the contracts specified the annual workable hours.</p> <p>If the Partner applied method C, the auditor verified that the ‘annual productive hours’ applied when calculating the hourly rate were equivalent to at least 90 % of the ‘standard annual workable hours’. The Auditor can only do this if the calculation of the standard annual workable</p>	<p>23) The Partner applied method [choose one option and delete the others]</p> <p>[A: 1720 hours]</p> <p>[B: the ‘total number of hours worked’]</p> <p>[C: ‘standard productive hours’ used correspond to usual accounting practices]</p> <p>24) Productive hours were calculated annually.</p> <p>25) For employees not working full-time the full-time equivalent (FTE) ratio was correctly applied.</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>hours can be supported by records, such as national legislation, labour agreements, and contracts.</p> <p><i>PARTNER'S PRODUCTIVE HOURS' FOR PERSONS WORKING FULL TIME SHALL BE ONE OF THE FOLLOWING METHODS:</i></p> <p><i>A. 1720 ANNUAL PRODUCTIVE HOURS (PRO-RATA FOR PERSONS NOT WORKING FULL-TIME)</i></p> <p><i>B. THE TOTAL NUMBER OF HOURS WORKED BY THE PERSON FOR THE PARTNER IN THE YEAR (THIS METHOD IS ALSO REFERRED TO AS 'TOTAL NUMBER OF HOURS WORKED' IN THE NEXT COLUMN). THE CALCULATION OF THE TOTAL NUMBER OF HOURS WORKED WAS DONE AS FOLLOWS: ANNUAL WORKABLE HOURS OF THE PERSON ACCORDING TO THE EMPLOYMENT CONTRACT, APPLICABLE LABOUR AGREEMENT OR NATIONAL LAW PLUS OVERTIME WORKED MINUS ABSENCES (SUCH AS SICK LEAVE OR SPECIAL LEAVE).</i></p> <p><i>C. THE STANDARD NUMBER OF ANNUAL HOURS GENERALLY APPLIED BY THE PARTNER FOR ITS PERSONNEL IN ACCORDANCE WITH ITS USUAL COST ACCOUNTING PRACTICES (THIS METHOD IS ALSO REFERRED TO AS 'STANDARD ANNUAL PRODUCTIVE HOURS' IN THE NEXT COLUMN). THIS NUMBER MUST BE AT LEAST 90% OF THE STANDARD ANNUAL WORKABLE HOURS.</i></p> <p><i>'ANNUAL WORKABLE HOURS' MEANS THE PERIOD DURING WHICH THE PERSONNEL MUST BE WORKING, AT THE EMPLOYER'S DISPOSAL AND CARRYING OUT HIS/HER ACTIVITY OR DUTIES UNDER THE EMPLOYMENT CONTRACT, APPLICABLE COLLECTIVE LABOUR AGREEMENT OR NATIONAL WORKING TIME LEGISLATION.</i></p>	<p><i>If the Partner applied method B.</i></p> <p>26) The calculation of the number of 'annual workable hours', overtime and absences was verifiable based on the documents provided by the Partner.</p> <p><i>If the Partner applied method C.</i></p> <p>27) The calculation of the number of 'standard annual workable hours' was verifiable based on the documents provided by the Partner.</p> <p>28) The 'annual productive hours' used for calculating the hourly rate were consistent with the usual cost accounting practices of the Partner and were equivalent to at least 90 % of the 'annual workable hours'.</p>	
A.3	<p><b>HOURLY PERSONNEL RATES</b></p> <p><u>D) For unit costs calculated in accordance to the Partner's usual cost accounting practice (unit costs):</u></p> <p>If the Partner has a "Certificate on Methodology to calculate unit costs " (CoMUC) approved by the Commission, the Partner provides the Auditor with a description of the approved methodology and the Commission's letter of acceptance. The Auditor verified that the Partner has</p>	<p>29) The Partner applied [<i>choose one option and delete the other</i>]:</p> <p>[Option I: "Unit costs (hourly rates) were calculated in accordance with the Partner's usual cost accounting</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>indeed used the methodology approved. If so, no further verification is necessary.</p> <p>If the Partner does not have a "Certificate on Methodology" (CoMUC) approved by the Commission, or if the methodology approved was not applied, then the Auditor:</p> <ul style="list-style-type: none"> <li>○ reviewed the documentation provided by the Partner, including manuals and internal guidelines that explain how to calculate hourly rates;</li> <li>○ recalculated the unit costs (hourly rates) of staff included in the sample following the results of the procedures carried out in A.1 and A.2.</li> </ul> <p><u>II) For individual hourly rates:</u></p> <p>The Auditor:</p> <ul style="list-style-type: none"> <li>○ reviewed the documentation provided by the Partner, including manuals and internal guidelines that explain how to calculate hourly rates;</li> <li>○ recalculated the hourly rates of staff included in the sample following the results of the procedures carried out in A.1 and A.2.</li> </ul> <p><i>“UNIT COSTS CALCULATED BY THE PARTNER IN ACCORDANCE WITH ITS USUAL COST ACCOUNTING PRACTICES”:</i></p> <p><i>IT IS CALCULATED BY DIVIDING THE TOTAL AMOUNT OF PERSONNEL COSTS OF THE CATEGORY TO WHICH THE EMPLOYEE BELONGS VERIFIED IN LINE WITH PROCEDURE A.1 BY THE NUMBER OF FTE AND THE ANNUAL TOTAL PRODUCTIVE HOURS OF THE SAME CATEGORY CALCULATED BY THE PARTNER IN ACCORDANCE WITH PROCEDURE A.2.</i></p> <p><u>HOURLY RATE FOR INDIVIDUAL ACTUAL PERSONAL COSTS:</u></p> <p><i>IT IS CALCULATED FOLLOWING ONE OF THE TWO OPTIONS BELOW:</i></p> <p><i>A) [OPTION BY DEFAULT] BY DIVIDING THE ANNUAL AMOUNT OF PERSONNEL COSTS OF AN EMPLOYEE VERIFIED IN LINE WITH PROCEDURE A.1 BY THE NUMBER OF ANNUAL PRODUCTIVE HOURS VERIFIED IN LINE WITH PROCEDURE A.2 (FULL FINANCIAL YEAR HOURLY RATE);</i></p>	<p>practices”]</p> <p>[Option II: Individual hourly rates were applied]</p> <p><i>For option I concerning unit costs and if the Partner applies the methodology approved by the Commission (CoMUC):</i></p> <p>30) The Partner used the Commission-approved methodology to calculate hourly rates. It corresponded to the organisation's usual cost accounting practices and was applied consistently for all activities irrespective of the source of funding.</p> <p><i>For option I concerning unit costs and if the Partner applies a methodology not approved by the Commission:</i></p> <p>31) The unit costs re-calculated by the Auditor were the same as the rates applied by the Partner.</p> <p><i>For option II concerning individual hourly rates:</i></p> <p>32) The individual rates re-</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p><i>B) BY DIVIDING THE MONTHLY AMOUNT OF PERSONNEL COSTS OF AN EMPLOYEE VERIFIED IN LINE WITH PROCEDURE A.1 BY 1/12 OF THE NUMBER OF ANNUAL PRODUCTIVE HOURS VERIFIED IN LINE WITH PROCEDURE A.2 (MONTHLY HOURLY RATE);</i></p>	<p>calculated by the Auditor were the same as the rates applied by the Partner.</p> <p>32.1.) The option chosen by the partner (per full financial year or per month) was applied throughout the whole period examined.</p>	
<p><b>A.4</b></p>	<p><b>TIME RECORDING SYSTEM</b></p> <p>To verify that the time recording system ensures the fulfilment of all minimum requirements and that the hours declared for the action were correct, accurate and properly authorised and supported by documentation, the Auditor made the following checks for the persons included in the sample that declare time as worked for the action on the basis of time records:</p> <ul style="list-style-type: none"> <li>○ description of the time recording system provided by the Partner (registration, authorisation, processing in the HR-system);</li> <li>○ its actual implementation;</li> <li>○ time records were signed at least monthly by the employees (on paper or electronically) and authorised by the project manager or another manager;</li> <li>○ the hours declared were worked within the project period;</li> <li>○ there were no hours declared as worked for the action if HR-records showed absence due to holidays or sickness (further cross-checks with travels are carried out in B.1 below) ;</li> <li>○ the hours charged to the action matched those in the time recording system.</li> </ul>	<p>33) All persons recorded their time dedicated to the action on a <b>daily/ weekly/ monthly</b> basis using a <b>paper/computer-based</b> system. <i>(delete the answers that are not applicable)</i></p> <p>34) Their time-records were authorised at least monthly by the project manager or other superior.</p> <p>35) Hours declared were worked within the project period and were consistent with the presences/absences recorded in HR-records.</p>	



Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p><i>ONLY THE HOURS WORKED ON THE ACTION CAN BE CHARGED. ALL WORKING TIME TO BE CHARGED SHOULD BE RECORDED THROUGHOUT THE DURATION OF THE PROJECT, ADEQUATELY SUPPORTED BY EVIDENCE OF THEIR REALITY AND RELIABILITY (SEE SPECIFIC PROVISIONS BELOW FOR PERSONS WORKING EXCLUSIVELY FOR THE ACTION WITHOUT TIME RECORDS).</i></p>	36) There were no discrepancies between the number of hours charged to the action and the number of hours recorded.	
	<p><u>If the persons are working exclusively for the action and without time records</u></p> <p>For the persons selected that worked exclusively for the action without time records, the Auditor verified evidence available demonstrating that they were in reality exclusively dedicated to the action and that the Partner signed a declaration confirming that they have worked exclusively for the action.</p>	37) The exclusive dedication is supported by a declaration signed by the Partner's and by any other evidence gathered.	
<b>B</b>	<b>COSTS OF SUBCONTRACTING</b>		
<b>B.1</b>	<p><b>The Auditor obtained the detail/breakdown of subcontracting costs and sampled [redacted] cost items selected randomly</b> (<i>full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is highest</i>).</p> <p>To confirm standard factual findings 38-42 listed in the next column, the Auditor reviewed the following for the items included in the sample:</p> <ul style="list-style-type: none"> <li>○ the use of subcontractors was foreseen in Annex 1;</li> <li>○ subcontracting costs were declared in the subcontracting category of the Financial Statement;</li> <li>○ supporting documents on the selection and award procedure were followed;</li> <li>○ the Partner ensured best value for money (key elements to appreciate the respect of this principle are the award of the subcontract to the bid offering best price-quality ratio, under conditions of transparency and equal treatment. In case an existing framework contract was used the Partner ensured it was established on the basis of the principle of best value for money under conditions of transparency and equal treatment).</li> </ul>	38) The use of claimed subcontracting costs was foreseen in Annex 1 and costs were declared in the Financial Statements under the subcontracting category.	
		39) There were documents of requests to different providers, different offers and assessment of the offers before selection of the provider in line with internal procedures and procurement rules. Subcontracts were awarded in accordance with the principle of best value for money.  <i>(When different offers were not</i>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>In particular,</p> <ul style="list-style-type: none"> <li>i. if the Partner acted as a contracting authority within the meaning of Directive 2004/18/EC (or 2014/24/EU) or of Directive 2004/17/EC (or 2014/25/EU), the Auditor verified that the applicable national law on public procurement was followed and that the subcontracting complied with the Terms and Conditions of the Agreement.</li> <li>ii. if the Partner did not fall under the above-mentioned category the Auditor verified that the Partner followed their usual procurement rules and respected the Terms and Conditions of the Agreement..</li> </ul> <p>For the items included in the sample the Auditor also verified that:</p> <ul style="list-style-type: none"> <li>○ the subcontracts were not awarded to other Partners in the consortium;</li> <li>○ there were signed agreements between the Partner and the subcontractor;</li> <li>○ there was evidence that the services were provided by subcontractor;</li> </ul>	<p><i>collected the Auditor explains the reasons provided by the Partner under the caption “Exceptions” of the Report. The Commission will analyse this information to evaluate whether these costs might be accepted as eligible)</i></p> <p>40) The subcontracts were not awarded to other Partners of the consortium.</p> <p>41) All subcontracts were supported by signed agreements between the Partner and the subcontractor.</p> <p>42) There was evidence that the services were provided by the subcontractors.</p>	
<b>C</b>	<b>COSTS OF PROVIDING FINANCIAL SUPPORT TO THIRD PARTIES</b>		
<b>C.1</b>	<p><b>The Auditor obtained the detail/breakdown of the costs of providing financial support to third parties and sampled [ ] cost items selected randomly</b> <i>(full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is highest).</i></p> <p>The Auditor verified that the following minimum conditions were met:</p> <ul style="list-style-type: none"> <li>a) the maximum amount of financial support for each third party did not exceed EUR 60</li> </ul>	<p>43) All minimum conditions were met</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>000, unless explicitly mentioned in Annex 1;</p> <p>b) the financial support to third parties was agreed in Annex 1 of the Agreement and the other provisions on financial support to third parties included in Annex 1 were respected.</p>		
<b>D</b>	<b>OTHER ACTUAL DIRECT COSTS</b>		
<b>D.1</b>	<p><b>COSTS OF TRAVEL AND RELATED SUBSISTENCE ALLOWANCES</b></p> <p><b>The Auditor sampled [ ] cost items selected randomly</b> <i>(full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is the highest).</i></p> <p>The Auditor inspected the sample and verified that:</p> <ul style="list-style-type: none"> <li>○ travel and subsistence costs were consistent with the Partner 's usual policy for travel. In this context, the Partner provided evidence of its normal policy for travel costs (e.g. use of first class tickets, reimbursement by the Partner on the basis of actual costs, a lump sum or per diem) to enable the Auditor to compare the travel costs charged with this policy;</li> <li>○ travel costs are correctly identified and allocated to the action (e.g. trips are directly linked to the action) by reviewing relevant supporting documents such as minutes of meetings, workshops or conferences, their registration in the correct project account, their consistency with time records or with the dates/duration of the workshop/conference;</li> <li>○ no ineligible costs or excessive or reckless expenditure was declared.</li> </ul>	<p>44) Costs were incurred, approved and reimbursed in line with the Partner 's usual policy for travels.</p> <p>45) There was a link between the trip and the action.</p> <p>46) The supporting documents were consistent with each other regarding subject of the trip, dates, duration and reconciled with time records and accounting.</p> <p>47) No ineligible costs or excessive or reckless expenditure was declared.</p>	
<b>D.2</b>	<p><b>DEPRECIATION COSTS FOR EQUIPMENT, INFRASTRUCTURE OR OTHER ASSETS</b></p> <p><b>The Auditor sampled [ ] cost items selected randomly</b> <i>(full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is the highest).</i></p>	<p>48) Procurement rules, principles and guides were followed.</p> <p>49) There was a link between the grant agreement and the asset charged to the action.</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>For “equipment, infrastructure or other assets” [from now on called “asset(s)”] selected in the sample the Auditor verified that:</p> <ul style="list-style-type: none"> <li>○ the assets were acquired in conformity with the Partner's internal guidelines and procedures;</li> <li>○ they were correctly allocated to the action (with supporting documents such as delivery note invoice or any other proof demonstrating the link to the action)</li> <li>○ they were entered in the accounting system;</li> <li>○ the extent to which the assets were used for the action (as a percentage) was supported by reliable documentation (e.g. usage overview table);</li> </ul> <p>The Auditor recalculated the depreciation costs and verified that they were in line with the applicable rules in the Partner’s country and with the Partner’s usual accounting policy (e.g. depreciation calculated on the acquisition value).</p> <p>The Auditor verified that no ineligible costs such as deductible VAT, exchange rate losses, excessive or reckless expenditure were declared (see Article 5 SGA).</p>	<p>50) The asset charged to the action was traceable to the accounting records and the underlying documents.</p> <p>51) The depreciation method used to charge the asset to the action was in line with the applicable rules of the Partner's country and the Partner's usual accounting policy.</p> <p>52) The amount charged corresponded to the actual usage for the action.</p> <p>53) No ineligible costs or excessive or reckless expenditure were declared.</p>	
<b>D.3</b>	<p><b>COSTS OF OTHER GOODS AND SERVICES</b></p> <p><b>The Auditor sampled [redacted] cost items selected randomly</b> (<i>full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is highest</i>).</p> <p>For the purchase of goods, works or services included in the sample the Auditor verified that:</p> <ul style="list-style-type: none"> <li>○ the contracts did not cover tasks described in Annex 1;</li> <li>○ they were correctly identified, allocated to the proper action, entered in the accounting</li> </ul>	<p>54) Contracts for works or services did not cover tasks described in Annex 1.</p> <p>55) Costs were allocated to the correct action and the goods were not placed in the inventory of durable equipment.</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p>system (traceable to underlying documents such as purchase orders, invoices and accounting);</p> <ul style="list-style-type: none"> <li>○ the goods were not placed in the inventory of durable equipment;</li> <li>○ the costs charged to the action were accounted in line with the Partner’s usual accounting practices;</li> <li>○ no ineligible costs or excessive or reckless expenditure were declared (see Article 5 SGA).</li> </ul> <p>In addition, the Auditor verified that these goods and services were acquired in conformity with the Partner 's internal guidelines and procedures, in particular:</p> <ul style="list-style-type: none"> <li>○ if Partner acted as a contracting authority within the meaning of Directive 2004/18/EC (or 2014/24/EU) or of Directive 2004/17/EC (or 2014/25/EU), the Auditor verified that the applicable national law on public procurement was followed and that the procurement contract complied with the Terms and Conditions of the Agreement.</li> <li>○ if the Partner did not fall into the category above, the Auditor verified that the Partner followed their usual procurement rules and respected the Terms and Conditions of the Agreement.</li> </ul> <p>For the items included in the sample the Auditor also verified that:</p> <ul style="list-style-type: none"> <li>○ the Partner ensured best value for money (key elements to appreciate the respect of this principle are the award of the contract to the bid offering best price-quality ratio, under conditions of transparency and equal treatment. In case an existing framework contract was used the Auditor also verified that the Partner ensured it was established on the basis of the principle of best value for money under conditions of transparency and equal treatment);</li> </ul> <p><i>SUCH GOODS AND SERVICES INCLUDE, FOR INSTANCE, CONSUMABLES AND SUPPLIES, DISSEMINATION (INCLUDING OPEN ACCESS), PROTECTION OF RESULTS, SPECIFIC EVALUATION OF THE ACTION IF IT IS REQUIRED BY THE AGREEMENT, CERTIFICATES ON THE FINANCIAL STATEMENTS IF THEY ARE</i></p>	<p>56) The costs were charged in line with the Partner’s accounting policy and were adequately supported.</p> <p>57) No ineligible costs or excessive or reckless expenditure were declared. For internal invoices/charges only the cost element was charged, without any mark-ups.</p> <p>58) Procurement rules, principles and guides were followed. There were documents of requests to different providers, different offers and assessment of the offers before selection of the provider in line with internal procedures and procurement rules. The purchases were made in accordance with the principle of best value for money.</p> <p><i>(When different offers were not collected the Auditor explains the reasons provided by the Partner under the caption “Exceptions” of the Report. The Commission will analyse</i></p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
	<p><i>REQUIRED BY THE AGREEMENT AND CERTIFICATES ON THE METHODOLOGY, TRANSLATIONS, REPRODUCTION.</i></p>	<p><i>this information to evaluate whether these costs might be accepted as eligible)</i></p>	
<p><b>D.4</b></p>	<p><b>AGGREGATED CAPITALISED AND OPERATING COSTS OF RESEARCH INFRASTRUCTURE</b></p> <p>The Auditor ensured the existence of a positive ex-ante assessment (issued by the EC Services) of the cost accounting methodology of the Partner allowing it to apply the guidelines on direct costing for large research infrastructures in Horizon 2020.</p> <p><i>In the cases that a positive ex-ante assessment has been issued (see the standard factual findings 59-60 on the next column),</i> The Auditor ensured that the Partner has applied consistently the methodology that is explained and approved in the positive ex ante assessment;</p> <p><i>In the cases that a positive ex-ante assessment has NOT been issued (see the standard factual findings 61 on the next column),</i> The Auditor verified that no costs of Large Research Infrastructure have been charged as direct costs in any costs category;</p> <p><i>In the cases that a draft ex-ante assessment report has been issued with recommendation for further changes (see the standard factual findings 61 on the next column),</i></p> <ul style="list-style-type: none"> <li>The Auditor followed the same procedure as above (when a positive ex-ante assessment has NOT yet been issued) and paid particular attention (testing reinforced) to the cost items for which the draft ex-ante assessment either rejected the inclusion as direct costs for Large Research Infrastructures or issued recommendations.</li> </ul>	<p>59) The costs declared as direct costs for Large Research Infrastructures (in the appropriate line of the Financial Statement) comply with the methodology described in the positive ex-ante assessment report.</p> <p>60) Any difference between the methodology applied and the one positively assessed was extensively described and adjusted accordingly.</p> <p>61) The direct costs declared were free from any indirect costs items related to the Large Research Infrastructure.</p>	

Ref	Procedures	Standard factual finding	Result (C / E / N.A.)
<b>E</b>	<b>USE OF EXCHANGE RATES</b>		
E.1	<p>a) For Partners with accounts established in a currency other than euros</p> <p><b>The Auditor sampled [ ] cost items selected randomly and verified that the exchange rates used for converting other currencies into euros were in accordance with the following rules established in the Agreement ( full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is highest):</b></p> <p><i>COSTS RECORDED IN THE ACCOUNTS IN A CURRENCY OTHER THAN EURO SHALL BE CONVERTED INTO EURO AT THE AVERAGE OF THE DAILY EXCHANGE RATES PUBLISHED IN THE C SERIES OF OFFICIAL JOURNAL OF THE EUROPEAN UNION (<a href="https://www.ecb.int/stats/exchange/eurofxref/html/index.en.html">https://www.ecb.int/stats/exchange/eurofxref/html/index.en.html</a>), DETERMINED OVER THE CORRESPONDING REPORTING PERIOD.</i></p> <p><i>IF NO DAILY EURO EXCHANGE RATE IS PUBLISHED IN THE OFFICIAL JOURNAL OF THE EUROPEAN UNION FOR THE CURRENCY IN QUESTION, CONVERSION SHALL BE MADE AT THE AVERAGE OF THE MONTHLY ACCOUNTING RATES ESTABLISHED BY THE COMMISSION AND PUBLISHED ON ITS WEBSITE (<a href="http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm">http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm</a>), DETERMINED OVER THE CORRESPONDING REPORTING PERIOD.</i></p>	62) The exchange rates used to convert other currencies into Euros were in accordance with the rules established of the Specific Grant Agreement and there was no difference in the final figures.	
	<p>b) For Partners with accounts established in euros</p> <p><b>The Auditor sampled [ ] cost items selected randomly and verified that the exchange rates used for converting other currencies into euros were in accordance with the following rules established in the Agreement ( full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 item, or 10% of the total, whichever number is highest):</b></p> <p><i>COSTS INCURRED IN ANOTHER CURRENCY SHALL BE CONVERTED INTO EURO BY APPLYING THE PARTNER'S USUAL ACCOUNTING PRACTICES.</i></p>	63) The Partner applied its usual accounting practices.	

Specific Grant Agreement number: [insert number] [insert acronym] [insert call identifier]

EU Model Grant Agreements: EASME EEN SGA H2020 — Multi: V2.0 – dd.mm.2015

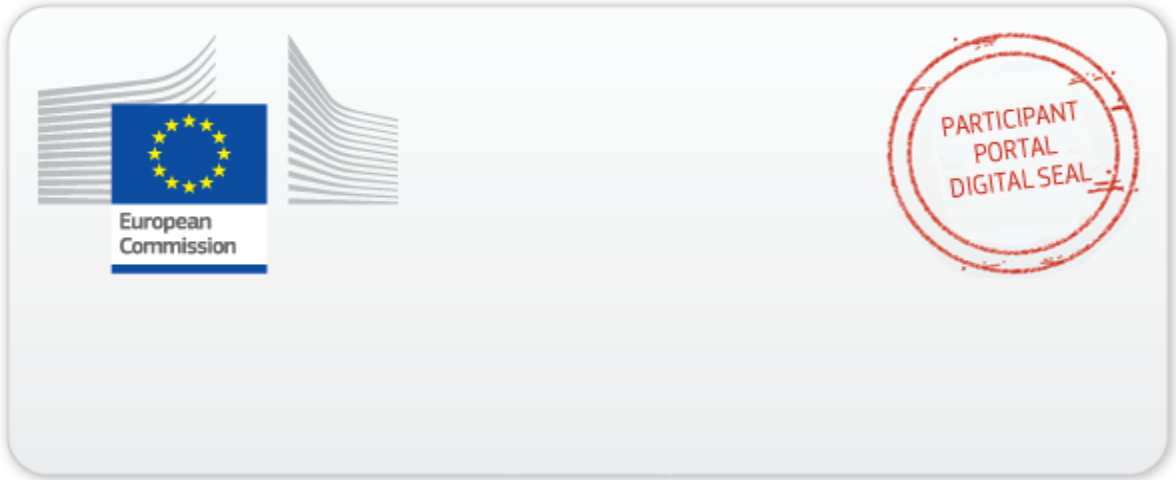
*[legal name of the audit firm]*

*[name and function of an authorised representative]*

*<dd Month yyyy>*

*<Signature of the Auditor>*





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