



H2020 ACCORDION

Kick-off Meeting

WP1: Project Coordination

Financial Management

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Pisa, 06 - 07 February 2020



G.A. 871793



The Bible: The Annotated Model Grant Agreement

- The AGA is limited to annotations to the provisions of the H2020 MGAs. For a more general overview of how H2020 grants work, see the Funding & Tenders Portal Online Manual.
- A comprehensive list of all H2020 reference documents (including legislation, work programme and templates) can be found on Participant Portal Reference Documents (<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/reference-documents>)
- H2020 terms are explained in the Glossary (<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/glossary>).
- If necessary, you can also contact the Research Enquiry Service (https://ec.europa.eu/info/research-and-innovation/contact/research-enquiry-service-and-participant-validation_en).



REPORTING AND PAYMENTS

- One pre-financing: RECEIVED!
- One or several interim payments
- One payment of the balance

HOW MUCH

Usually = maximum grant amount / number of periods

Retention 5% of maximum grant for Guarantee fund

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



REPORTING AND PAYMENTS

CA ACCORDION

- 50 % on receipt of Advance Payment
- 30 % on approval of first reporting period by the Funding Authority
- 10 % on receipt of Interim Payment
- 10 % upon approval of final reports by the Funding Authority



Project Reporting Obligations

Electronic submission via the Participant Portal

- Deliverables (as described in DoA)
- Periodic Report (within 60 days following the end of each reporting period)
 - Periodic technical report
 - Periodic financial report
- Final Report (in addition to the periodic report for the last reporting period)
 - Final technical report – summary for publication
 - Final financial report - CFSs

Article 19 of the GA

Article 20 of the GA



Interim payments

After the end of each interim period

Periodic report – submitted by coordinator within 60 days after end of reporting period

Periodic Technical Report

- Explanation of the work carried out
- Overview of progress (milestones and deliverables)
- Summary for publication
- Plan for the exploitation and dissemination of results (if required)
- Answers to the questionnaire

Periodic Financial Report

- Financial Statement (Individual & Summary)
- Explanation of the use of the resources

PAYMENTS

WHEN within 90 days from reception of periodic reports

HOW MUCH EU contribution corresponding to the eligible costs incurred in the reporting period
Limit: 90% of the maximum grant amount

CHARACTERISTICS

Ineligible costs will be rejected and not taken into account for the payment



Payment of the balance

- **WHEN** **within 90 days from reception of final reports**

- **HOW MUCH** **EU reimburses the remaining part of the eligible costs incurred**

 Includes the release of the Guarantee Fund (CF)

- **CHARACTERISTICS**

Receipts & reduction of the grant will be taken into account to determine the final grant amount



Payment of the interim FS/balance: what if...?

- **The consortium is late: no reports on time**
 - The Commission/Agency will send a reminder
 - The payment deadline is suspended
 - If still not submitted after 30 days, the Commission/Agency may terminate the grant agreement !
- **One beneficiary is late: its report is not ready**
 - The Coordinator may decide to submit the reports without that beneficiary
 - Beneficiary's costs will be considered 'zero' for this reporting period, but it can declare its costs with the next reporting period



Payment of the interim FS/balance: what if...?

Dont' forget to submit the Certificate on the Financial Statements (for beneficiaries and/or linked third parties), if needed

When as part of the final report total EU contribution claimed by the beneficiary on the basis of actual costs + unit costs for average personnel is \geq Euro 325,000 (excluding e.g. flat rates)



FINANCIAL ISSUES – Consequences of errors

- **Ineligible costs → Cost rejection**
- **Breach of obligations, fraud, irregularities, systemic errors → Contradictory procedure → possible grant reduction**

Article 42 of the
GA

examples of failures to comply with the GA obligations on:

Open Access
visibility of EU funding
timesheets
disclaimers
procurements

Article 43 of the
GA



FINANCIAL ISSUES – tips from the EU on the most common errors expected

- Direct costs apportioned, not measured
- Timesheets
- Best value for money (subcontracting and purchase of goods)
- Basic vs additional remuneration
- In-house, near off-site, semi- permanent, teleworking consultants
- Same old friends



FINANCIAL ISSUES – tips from the EU

Measures or apportions

- **In FP7, energy and power supply was an indirect cost:
can I charge it as direct in H2020?
Yes, if I can measure it...**
- **Administrative staff members doing project accounting:
can I charge them to the project?
Yes, with time sheets... (and if it is really necessary)**
- **I have a big multi-purpose equipment and I use it for several activities and projects:
can I charge its depreciation to an EC project as a % of total capacity based on my experience?
No. I have to measure its use.**



FINANCIAL ISSUES – tips from the EU

Timesheets

- There is no legal requirement to have a full recording system...
- ...though, working on several different projects, you might have different working hours amounts → Audit Service of the European Commission says:
- Do not overcharge!
- Do not use a double ceiling!
- Report the truth!



FINANCIAL ISSUES – tips from the EU

Subcontracts and Third Parties

There are no Third Parties and Subcontracts in the ACCORDION project

However, during the project life time things may change

What to do?

Inform the coordinator who will inform the PO and will start the amendment procedures

Please, make sure that you always follow your national laws on tendering and procurements



ACCORDION H2020 Project

“This procurement receives funding under the European Union’s Horizon 2020 research and innovation programme under the grant agreement No. 871793. The EU is however not participating as a contracting authority in this procurement.”