

<p>Sex</p>	<p>This information is required for statistical and mailing purposes. Indicate F or M as appropriate.</p>
<p>Phone and fax numbers</p>	<p>Please insert the full numbers including country and city/area code. Example +32-2-2991111.</p>
<p>Section A3/Budget</p>	
<p>Method of calculating indirect costs</p>	<p>Indirect costs shall represent a fair apportionment of the overall overheads of the organisation. They may be identified according to one of the following methods:</p> <ul style="list-style-type: none"> • Real indirect costs: A participant may use a simplified method of calculation of its full indirect eligible cost at the level of its legal entity if it is in accordance with its usual accounting and management principles and practices. Use of such a method is only acceptable where the lack of analytical accounting or the legal requirement to use a form of cash-based accounting prevents detailed cost allocation. The simplified approach must be based on actual costs derived from the financial accounts of the period in question. • A participant may opt for a flat-rate of 20% of its total direct eligible costs, excluding its direct eligible costs for subcontracting and the costs of reimbursement of resources made available by third parties which are not used on the premises of the participant. • Non-profit public bodies, secondary and higher education establishments, and research organisations and SMEs, which are unable to identify with certainty their real indirect costs for the project, when participating in funding schemes which include research and technological development and demonstration activities may opt for a flat-rate of 60% of the total direct eligible costs¹⁶ excluding costs for subcontracting and the costs of reimbursement of resources made available by third parties which are not used on the premises of the participant. If these participants change their status during the life of the project, this flat rate shall be applicable up to the moment they lose their status. <p>The participant shall apply the method chosen in all grant agreements under the Seventh Framework Programme.</p>

¹⁶ The rate established in this indent will apply for grants awarded under calls for proposals closing before 1 January 2010. The Commission shall establish, for grants awarded under calls closing after 31 December 2009, an appropriate level of flat rate which should be an approximation of the real indirect costs concerned but not lower than 40%, at that moment a special clause will be adopted and inserted in subsequent grant-agreements.

Indirect Costs - Decision Tree	
<p>Has your organisation either an analytical accounting system or will you to declare overhead rates using a simplified method ?</p> <div style="display: flex; justify-content: space-around; align-items: center; margin: 20px 0;"> <div style="text-align: center;"> <p>YES</p> </div> <div style="text-align: center;"> <p>No</p> </div> </div> <div style="display: flex; justify-content: space-between; margin: 10px 0;"> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 45%;"> <p>Real indirect costs or costs calculated using a simplified method</p> </div> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 45%;"> <p>or</p> </div> </div> <div style="border: 1px solid black; padding: 10px; text-align: center; margin: 10px 0;"> <p>20% of total direct eligible costs (1)</p> </div> <div style="display: flex; justify-content: space-between; margin: 10px 0;"> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 45%;"> <p>or</p> </div> <div style="border: 1px solid black; padding: 10px; text-align: center; width: 45%;"> <p>60% of total direct eligible costs (1)(2), for :</p> <ul style="list-style-type: none"> - Non-profit public bodies, secondary and higher education establishments, research organisations and SMEs - When participating in funding schemes which include research and technological development </div> </div> <div style="border: 1px solid black; padding: 10px; text-align: center; margin: 10px 0;"> <p>Coordination and support actions : In any case Maximum 7% of the direct eligible costs (1)</p> </div> <p style="font-size: small; margin-top: 20px;">(1) excluding direct eligible costs for subcontracting and the costs of reimbursement of resources made available by third parties which are not used on the premises of the beneficiary</p> <p style="font-size: small;">(2): This flat rate can be used for any proposal submitted under calls for proposals closing before 1 January 2010. The Commission shall establish for grants awarded under calls closing after 31 December 2009, an appropriate level of flat rate which should be an approximation of the real indirect costs concerned but not lower than 40%.</p>	
International Cooperation Partner Country (ICPC)	International Cooperation Partner Country means a third country which the Commission classifies as a low-income, lower-middle income or upper-middle-income country and which is identified as such in Annex I of the work programmes.
Lump sum funding method	For International Cooperation Partner Country, the lump sum calculation method will be subject to a specific Commission's decision, published early in 2007.

<p>Type of Activity</p>	<ul style="list-style-type: none"> • RTD activities means activities directly aimed at creating new knowledge, new technology, and products including scientific coordination. • Demonstration activities means activities designed to prove the viability of new technologies that offer a potential economic advantage, but which cannot be commercialised directly (e.g. testing of product like prototypes). • Management activities include the maintenance of the consortium agreement, if it is obligatory, the overall legal, ethical, financial and administrative management including for each of the participants obtaining the certificates on the financial statements or on the methodology, the implementation of competitive calls by the consortium for the participation of new participants and, any other management activities foreseen in the proposal except coordination of research and technological development activities. • Other activities means any specific activities not covered by the above mentioned types of activity, which may include management activities including certificates on the financial statements and certifications of the methodology, training, coordination, networking and dissemination (including publications). These activities should be specified in the proposal Part B.
<p>Personnel costs</p>	<p>Personnel costs are only the costs of the actual hours worked by the persons directly carrying out work under the project. Such persons must:</p> <ul style="list-style-type: none"> – be directly hired by the beneficiary in accordance with its national legislation, – be work under the sole technical supervision and responsibility of the latter, and – be remunerated in accordance with the normal practices of the participant. <p>Participants may opt to declare average personnel costs if certified in accordance with a methodology approved by the Commission and consistent with the management principles and usual accounting practices of the participant. Average personnel costs charged by a participant having provided a certification on the methodology are deemed not to significantly differ from actual personnel costs.</p>
<p>Sub-contracting</p>	<p>A subcontractor is a third party which has entered into an agreement on business conditions with one or more participants, in order to carry out part of the work of the project without the direct supervision of the participant and without a relationship of subordination.</p> <p>Where it is necessary for the participants to subcontract certain elements of the work to be carried out, the following conditions must be fulfilled:</p> <ul style="list-style-type: none"> - subcontracts may only cover the execution of a limited part of the project; - recourse to the award of subcontracts must be duly justified in Part B of the proposal having regard to the nature of the project and what is necessary for its implementation; - recourse to the award of subcontract by a participant may not affect the rights and obligations of the participants regarding background and foreground; - - Part B of the proposal must indicate the task to be subcontracted and an estimation of the costs; <p>Any subcontract, the costs of which are to be claimed as an eligible cost, must be awarded according to the principles of best value for money (best price-quality ratio), transparency and equal treatment. Framework contracts between a participant and a subcontractor, entered into prior to the beginning of the project that are according to the participant's usual management principles may also be accepted.</p> <p>Participants may use external support services for assistance with minor tasks that do not represent per se project tasks as identified in Part B of the proposal.</p>
<p>Other direct costs</p>	<p>Means direct costs not covered by the above mentioned categories of costs.</p>

<p>Indirect Costs</p>	<p>Indirect costs are all those eligible costs which cannot be identified by the participant as being directly attributed to the project but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project. They may not include any eligible direct costs.</p>
<p>Requested EC contribution</p>	<p>The requested EC contribution shall be determined by applying the upper funding limits indicated below, per activity and per participant to the costs accepted by the Commission, or to the flat rates or lump sums.</p> <p>Maximum reimbursement rates of eligible costs</p> <ul style="list-style-type: none"> • Research and technological development = 50% or 75%* • Demonstration activities = 50% • Management activities = 100% • Other activities = 100% <p>(*) For participants that are non profit public bodies, secondary and higher education establishments, research organisations and SMEs.</p>
<p>Total Receipts</p>	<p>Receipts of the project may arise from:</p> <p>a) Financial transfers or contributions in kind free of charge to the participant from third parties:</p> <ol style="list-style-type: none"> i. shall be considered a receipt of the project if they have been contributed by the third party specifically to be used on the project. ii. shall <u>not</u> be considered a receipt of the project if their use is at the management discretion of the beneficiary. <p>b) Income generated by the project:</p> <ol style="list-style-type: none"> i. shall be considered receipts for the participant when generated by actions undertaken in carrying out the project and from the sale of assets purchased under the grant agreement up to the value of the cost initially charged to the project by the participant; ii. shall <u>not</u> be considered a receipt for the participant when generated from the use of foreground resulting from the project.