

# **PROVISIONS FOR IMPLEMENTING SPECIFIC TARGETED RESEARCH PROJECTS**

## **Background document**

**This is a practical guide for implementing specific targeted research projects  
in the Sixth Framework Programme.**

**This document, together with practical guides on other instruments and other  
relevant documents, is available on the web-site:**

[\*http://europa.eu.int/comm/research/fp6/networks-ip.html\*](http://europa.eu.int/comm/research/fp6/networks-ip.html)

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### *Standard Disclaimer*

*This document expresses solely the views of Directorate-General for Research of the European Commission. Readers should not regard these views as a statement of the official position of the European Commission.*

Other documents on issues related to the instruments available for implementing the thematic priorities of the Sixth Framework Programme are available on the DG Research web-site:

<http://europa.eu.int/comm/research/jp6/networks-ip.html>

*For this edition, the basic principles underpinning the implementation of this instrument have been decided by the legislative process concerning the Framework Programme and its Rules for Participation. The detailed implementation modalities have also been largely fixed, although certain points may still evolve. The document will, therefore, continue to be updated.*

## **1. GENERAL ASPECTS**

### **1.1. Purpose**

Specific Targeted Research Projects will aim at improving European competitiveness and meeting the needs of society or Community policies. They should be sharply focused and will take either of the following two forms, or a combination of the two:

- (a) a research and technological development project designed to gain new knowledge either to improve or develop new products, processes or services or to meet other needs of society and Community policies;
- (b) a demonstration project designed to prove the viability of new technologies offering potential economic advantage but which cannot be commercialised directly.

Within the Sixth Framework Programme (FP6) generally, specific targeted research projects will be used in implementing the priority thematic areas, in other research areas supporting Community policies and anticipating scientific and technological needs, in specific international co-operation research activities, in activities promoting interaction between research and innovation, and in research activities developing harmonious relations between science and society.

### **1.2. Scale of activities**

Each specific targeted project may represent a value of activities ranging up to several millions of euros and may involve up to several tens of researcher-years.

### **1.3. Duration**

The duration of a project will be determined by the time necessary to obtain its research objectives. Typically, the duration might be expected to be 2-3 years. Only exceptionally and in duly justified cases, will the duration exceed 3 years.

### **1.4. Size of the consortium**

As an absolute minimum, the number of participants can not be less than three independent legal entities established in three different Member States or Associated States, of which at least two shall be Member States or Associated candidate countries. The call for proposals may specify a higher minimum number of participants.

### **1.5. Participants**

A **participant** means a legal entity contributing to the project and having rights and obligations with regard to the Community under the terms of the contract. Legal entities participating in specific targeted research projects will be primarily organisations active in the research field: enterprises, whichever their size, research institutes, universities.

The following may also participate in specific targeted research projects:

- organisations that possess specific competence in management, dissemination and transfer of knowledge;
- potential users and other stakeholders.

A European Economic Interest Grouping (EEIG) (or any legal entity established in a Member State or Associated State made up of independent legal entities) may be the sole participant provided its composition is in accordance with the conditions fixing the minimum number of participants.

International European Interest Organisations (IEIO) and the JRC participate under the same conditions as legal entities from Member States.

Specific targeted research projects will be open to participation of entities from non-associated third countries, with special provisions for possible Community financial support for entities belonging to certain groups of countries (see Annex I).

## **2. ACTIVITIES**

Specific targeted research projects may combine two or more of the following types of activity:

- **Research and technological development**
- **Demonstration**
- **Project management**

Specific targeted projects should also include **innovation-related activities**, in particular with respect to the management of the knowledge produced and the protection of intellectual property.

### **2.1. Research and technological development (RTD) and innovation related activities**

The research and technological development activities conducted within a specific targeted research project should present the following characteristics:

- be **targeted** at well-defined and precisely focused research objectives;
- have **measurable outcomes**, for example aim at achieving concrete results.

The innovation related activities, should normally include activities relating to the protection and dissemination of knowledge, socio-economic studies, activities to promote the exploitation of the results, and, possibly, "take-up" actions. These activities are inter-related and should be conceived and implemented in a coherent way.

### **2.2. Demonstration activities**

Specific targeted research projects may consist exclusively of, or also contain a component of, demonstration 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).

### **2.3. Project management activities**

Specific targeted research projects will also include an overall management structure. Over and above the technical management of individual work packages, an appropriate management framework linking together all the project components and maintaining communications with the Commission will be needed.

Project management will include:

- co-ordination of the technical activities of the project;
- the overall legal, contractual, ethical, financial and administrative management of the project;
- preparing, updating and managing the consortium agreement between the participants;
- co-ordination of knowledge management and other innovation-related activities;
- overseeing the promotion of gender equality in the project;
- overseeing science and society issues, related to the research activities conducted within the project;
- obtaining audit certificates (as and when required) by each of the participants;
- bank guarantees for SMEs (if applicable).

### 3. FINANCIAL REGIME

The financial regime for specific targeted research projects will be built on the following concepts:

- a “grant to the budget”, acting as a ceiling for the contribution of the Community;
- where the support will be paid as a contribution to costs incurred;
- according to maximum rates of support for different types of activity within the project.

The grant to the budget would be negotiated on the basis of (a) the estimated eligible costs of carrying out the various activities of the project, (b) the appropriate cost model for each of the participants, and, c) the rates of Community support for each activity. The maximum amount of the Community contribution will be fixed in the contract.

Such a regime will have many similarities to the current financial regime for RTD projects in FP5, though with several marked simplifications, with increased financial security both for the Community and the consortium, and with increased autonomy for the consortium.

#### 3.1. Eligible costs

Costs may be charged to the contract provided that they fulfil the following conditions:

- are actual, economic and necessary for the implementation of the project; and
- are determined in accordance with the usual accounting principles of each participant; and
- are incurred during the duration of the project, except where otherwise provided for in the contract; and
- are recorded in the accounts of the participant or, when provided for in the contract in the case of resources made available by third parties on the basis of prior agreement, in the corresponding accounts of those third parties; and
- exclude any indirect taxes, duties, interest, costs incurred in respect of another Community project, and do not give rise to profit.

*(Note: As each participant will be expected to follow its own accounting conventions, there will be no pre-defined cost categories as there were for RTD projects in FP5).*

The Commission will issue financial guidelines to inform participants of how eligible costs may be identified and charged to the project as well as to propose good financial practices. Participants will be invited to follow these guidelines when establishing their proposed budget for the project and when preparing financial reports. On the other hand, the Commission services will observe these guidelines in all their dealings with the project, as will any auditor appointed by the Commission.

#### 3.2. Cost models

There will be a single family of three closely related cost models:

- **FC**: a full-cost model in which all actual direct and actual indirect costs may be charged to the contract;
- **FCF**: a simplified variation of the full-cost model, in which all actual direct costs may be charged to the contract, together with a flat-rate rate of 20% of all these direct costs, excluding subcontracts, which will be deemed to cover all related indirect costs;
- **ACF**: an additional-cost model, covering all direct costs that are additional to the recurring costs of a participant (with the exception of project management for which recurring costs would be eligible), together with a flat-rate of 20% of all these direct costs, excluding subcontracts, which will be deemed to cover all related non-recurring indirect costs.

The FC model will be open to all participants, except for international organisations, physical persons and those public bodies obliged to use the additional-cost model. The FCF model will be an option available only to SMEs.

The ACF model will be the only model available to international organisations and physical persons as well as to those public bodies obliged to use this model. It will also be an option to any public body free to choose its cost model.

Where an organisation has a choice of models, it may choose only one for all its participations in those indirect actions of FP6 where these models are relevant. SMEs who initially opt for the FCF model may however change to FC for later contracts.

*(Note: The same basic cost models will be used for all FP6 instruments that are implemented through grants to the budget. This will generate a significant simplification for contractors when compared to FP5, where different instruments sometimes used fundamentally different cost methodologies).*

### **3.3. Rates of Community support**

For full cost participants (FC and FCF), the maximum rates of Community contribution to a participant's costs would be:

- 50% for research and technological development and for innovation-related activities;
- 35% for a demonstration project, or for the demonstration component of a combined project;
- 100% for project management activities.

**Additional cost participants** will continue to be supported at up to 100% of additional costs for all components of the project (with the exception of project management, for which recurring costs may be charged as mentioned below).

The model contract will specify which project management costs will be eligible for support at the 100% rate. Such costs will include the costs of obtaining audit certificates. The model contract will also specify the maximum percentage of the Community contribution (probably 7%) that can be used to support these project management costs.

## **4. THE PROPOSAL STAGE**

### **4.1. Calls for proposals**

Calls for proposals for specific targeted research projects will be published in the Official Journal of the European Communities and widely published by other means, including the Cordis web-site and through the National Contact Point network. A forward-looking schedule of the calls will be set out in the form of a "road map" in the work programme of the specific programme.

The information package relevant to the call for proposals will describe the content of a proposal. Annex II contains the elements applicants may be asked to include in their proposals.

At the time they present their proposal, the participants should have collectively at least the potential resources (financial and material ones) needed to carry out the project, should it be supported by the Community.

In order to help simplify proposal making, the information provided should be of sufficient "management-level" detail as to allow an objective evaluation of the scientific/technical merit of the proposal and of the resources that will be employed. Further details may then be requested as necessary, during the negotiation phase.

The Commission may also choose to arrange its calls for proposals as a two-step submission process, whereby in the first step an outline proposal providing the essential aspects of the proposed project is submitted and evaluated with the help of external experts, and a full proposal is submitted in a second step by consortia retained after that initial evaluation. When a two-step approach is to be followed, it will be specified in the relevant call for proposals.

## 4.2 Evaluation of proposals

The fundamental principles governing the evaluation of proposals are:

- **transparency:** provide a clear framework for researchers preparing proposals, for experts evaluating proposals, and for the Commission services themselves.
- **fair treatment:** all proposals will be treated alike, irrespective of where they originate or the identity of the applicants and of previous connections.
- **impartiality:** all eligible proposals will be treated impartially on their merits, subject to an independent peer review.
- **efficiency and speed:** the procedures must be designed to be as rapid as possible, commensurate with maintaining the quality of the evaluation and respecting the legal framework within which the specific programme is managed.
- **ethical considerations:** any proposal which contravenes fundamental ethical principles (particularly those set out in the Charter of Fundamental Rights of the Union), or which does not fulfil the conditions set out in the work programme or in the call for proposals, may be excluded from the evaluation and selection process at any time.

### Peer review

Evaluation will be conducted by the Commission services with the assistance of independent experts according to the principles of “**peer review**”, similar to the system used for the evaluation of RTD projects in the Fifth Framework Programme.

### Evaluation criteria

The following basic set of criteria is intended to be common to all priority themes for the evaluation of proposals for specific targeted research projects. They will be detailed and complemented as necessary in the relevant calls for proposals :

**Relevance to the objectives of the programme.** The extent to which:

- the proposed project **addresses the scientific, technical, socio-economic and policy objectives** of the work programme.

**S&T excellence.** The extent to which:

- the project has clearly **defined and well focused objectives;**
- the objectives represent **clear progress beyond the current state-of-the-art;**
- the **proposed S&T approach** is likely to enable the project to achieve its objectives in research and innovation.

**Potential impact.** The extent to which:

- the proposed project is likely to have an **impact on reinforcing competitiveness, or on solving societal problems;**
- the proposed project demonstrates a clear **added value** in carrying out the work at European level and takes account of research activities at national level and under European initiatives (e.g. Eureka);
- exploitation and/or dissemination plans are adequate to ensure **optimal use of the project results.**

**Quality of the consortium.** The extent to which:

- the participants collectively constitute a **consortium of high quality;**
- the participants are **well-suited and committed to the tasks** assigned to them;
- there is **good complementarity** between participants;
- the opportunity of involving SMEs has been adequately addressed.

**Quality of the management.** The extent to which:

- the **project management** is demonstrably of high quality;
- there is a satisfactory plan for the **management of knowledge**, of intellectual property and of other innovation-related activities.

**Mobilisation of resources.** The extent to which:

- the project foresees the **resources** (personnel, equipment, financial...) necessary for success;
- the **resources** are **convincingly integrated** to form a coherent project;
- the overall **financial plan** for the project is **adequate**.

In addition to the above criteria and any specific criteria or interpretations of the criteria required for a call, the following questions will also be addressed at any appropriate moment in the evaluation:

- Are there **gender** issues associated with the subject of the proposal? If so, have they been adequately taken into account?
- Are there **ethical** and/or **safety** issues associated with the subject of the proposal? If so, have they been adequately taken into account in the preparation of the proposal? Is the proposed research compliant with fundamental ethical principles, if relevant? Before they are selected for funding, all proposals which deal with sensitive ethical issues and any proposal for which ethical concerns have been identified during the scientific evaluation may be reviewed by a separate ethical review panel.
- To what extent does the proposal demonstrate a readiness to engage with actors beyond the research community and the public as a whole, to help spread awareness and knowledge and to explore the wider **societal implications** of the proposed work?
- Have the synergies with **education** at all levels (where appropriate) been clearly set out?

### 4.3. The negotiation process

For proposals that are successfully evaluated, the negotiation conducted between the Commission services, possibly with the help of external experts, and the participants, will deal with the following aspects:

- to finalise the objectives and deliverables of the project, which are to be considered fixed for the life of the project;
- to agree a detailed work plan and an associated financing plan for the whole duration of the contract;
- to agree a financial ceiling for the Community contribution.

A thorough financial review of the project will be an essential component of the negotiation process. The consortium will be expected to demonstrate that they potentially have the resources to carry out the project and that there is a sound basis for their collaboration.

The principles applicable in the negotiation phase will be spelled out in publicly available guidelines.

## 5. THE CONTRACT

More information on the model contract can be found at:

[http://europa.eu.int/comm/research/fp6/working-groups/model-contract/index\\_en.html](http://europa.eu.int/comm/research/fp6/working-groups/model-contract/index_en.html)

### 5.1. Content of the contract

The contract with the Commission shall establish the rights and obligations of all participants and in particular the provisions for the scientific, technological, financial and, where appropriate, ethical monitoring of the project, the updating of its objectives, changes in consortium membership, the payment of the Community financial contribution, and, if applicable, conditions for the eligibility of any necessary expenditure, as well as rules regarding dissemination and use.

The contract may be structured along the following lines:

- a **core** text containing: the scope, duration, maximum Community contribution, the maximum rate of Community support, deliverables, payment modalities and the list of participants;
- a **technical annex** (Annex I) containing: the objectives of the project; the detailed work plan for the whole duration; an outline description of the role of the participants; a description of the deliverables; ethical provisions; a description of the management structure;
- **general conditions** (Annex II), common to all FP6 instruments, covering standard legal and administrative provisions, the IPR regime, and standard financial provisions among others;
- **conditions specific to specific targeted research projects** (Annex III), for example the maximum rates of Community support as described in Section 3.3; the reporting schedule and detailed payment conditions.

Where it is necessary to **subcontract** elements of the work to be carried out, this should be clearly identified in Annex I. Contractors may subcontract other minor services and supplies, which do not represent core elements of the project work, which cannot be directly assumed by them and where this proves necessary for the performance of their work under the project.

The contract **will not**, however, **specify the distribution of the grant between participants**. This will give to the consortium a degree of flexibility on the distribution of the Community contribution and will also eliminate a good part of its micromanagement associated with FP5 contracts.

## 5.2. Contracting parties

The contract between the consortium and the Commission may be concluded with all the participants (or with a common legal structure that represents them from the legal point of view). It shall enter into force on signature by the Commission and the coordinator. The other participants identified in the contract shall accede to it in accordance with its modalities and shall enjoy the rights and assume the obligations of participants.

## 5.3. Role of the co-ordinator

The consortium will designate one of its participants to act as the co-ordinator of the project. The following tasks of the co-ordinator will be specified in the contract:

- a) act as the intermediary between the *consortium* and the *Commission*. All information related to the *project* shall be transmitted by the *consortium* to the *Commission* through the *co-ordinator*, with the exceptions foreseen in the *contract*.
- b) Receive all payments made by the *Commission* and administer the *Community* contribution regarding its allocation between *contractors* and activities in accordance with this *contract* and decisions taken by the *consortium*. The *co-ordinator* shall ensure that the appropriate payments are made to *contractors* without unjustified delay.
- c) keep accounts making it possible to determine at any time what portion of the *Community* funds has been allocated to each *contractor* for the purposes of the *project* and inform the Commission of the distribution of the funds and the date of transfers to the *contractors* on an annual basis.
- d) ensure that the tasks regarding the signature of the contract by the other contractors are carried out in a timely and correct manner.

The consortium may, of course, agree to entrust other tasks to the co-ordinator, in particular under the terms of the consortium agreement between the participants.

## 5.4. Collective responsibility of the participants

The technical implementation of the project will be the collective responsibility of the participants. Each participant will also be liable for the use of the Community financial contribution in proportion to his share of the project up to a maximum of the total payments he has received.

Should a participant breach the contract and should the consortium not make good this breach, the Commission may, as a last resort and if all other approaches have been explored, hold the participants liable under the following conditions:

- (a) Independently of any appropriate action it may take against the defaulting participant, the Commission will require the remaining participants to implement the project.
- (b) Should the implementation be impossible or should the remaining participants refuse to comply with paragraph (a) above, the Commission may terminate the contract and recover the Community financial contribution. When investigating the financial disadvantage, the Commission will take into account the work already undertaken and results obtained, thereby establishing the debt.
- (c) For that part of the debt established according to paragraph (b) above, that is owed by the defaulting participant, the Commission will distribute it among the remaining participants, on the basis of each participant's share of the expenses accepted and up to the amount of the Community financial contribution each participant is entitled to receive.

Where a participant is an international organisation, a public body or a legal entity whose participation to the project is guaranteed by a Member State or an Associated State, this participant is solely responsible for its own debt and will not be expected to bear the debt of any other participant.

## **5.5. Consortium agreement**

As a consequence of the larger autonomy that consortia will benefit from and of the simplification of the contract with the Commission, for example with respect to the management of the Community contribution and to intellectual property, the participants **will be required to conclude a consortium agreement**, unless otherwise specified in the call for proposals.

The Commission will publish non-binding guidelines on points that may be addressed by the consortium agreement, such as:

- the internal organisation of the consortium;
- intellectual property rights arrangements;
- settlement of internal disputes, pertaining to the consortium agreement.

The consortium agreement should be signed as early as possible and preferably no later than the date on which the contract with the Commission enters into force.

## **6. IMPLEMENTATION OF THE PROJECT**

At its outset, the project will have an agreed detailed work plan for the whole duration of the contract. With the agreement of the Commission, the detailed work plan may be modified. However, the overall objectives and principal deliverables, as set out in the contract, will not be expected to change during the lifetime of the project. The composition of the consortium may also be modified with the agreement of the Commission, but this is expected to be a relatively infrequent occurrence.

### **6.1. Periodic reporting**

At the end of each scientific reporting period (as defined in the contract/technical annex, e.g. 12 or 18 months following the start of the project, for a 24 or 36 month project respectively), the consortium will submit to the Commission the following two reports **for that precise period**:

- An **activity report** containing:
  - a management-level overview of the activities carried out by the project during the period;
  - a description of progress toward scientific and technological objectives and associated innovation-related activities;
  - a description of progress toward the milestones and deliverables foreseen;

- identification of problems encountered and corrective action taken.
- A **financial report** containing:
  - a summary cost statement prepared by each participant, showing the total eligible costs claimed broken down by type of activity;
  - a **cost certificate** per participant (upon request of the Commission for projects up to 24 months; mandatory for projects lasting more than 24 months), furnished by an independent external auditor or, in the case of a public body or international organisation, by a competent public official, certifying the overall total of eligible costs incurred by that participant;
  - a management-level justification prepared by each participant of its overall costs incurred, linking these costs to the resources deployed and to the activities implemented by the participant;
  - a **financial summary sheet** prepared by the co-ordinator, bringing together the incurred costs of the consortium and the requested Community contribution, broken down by participant and type of activity.

The Commission needs to review and approve both of these documents. In doing so, the Commission may be assisted by external experts.

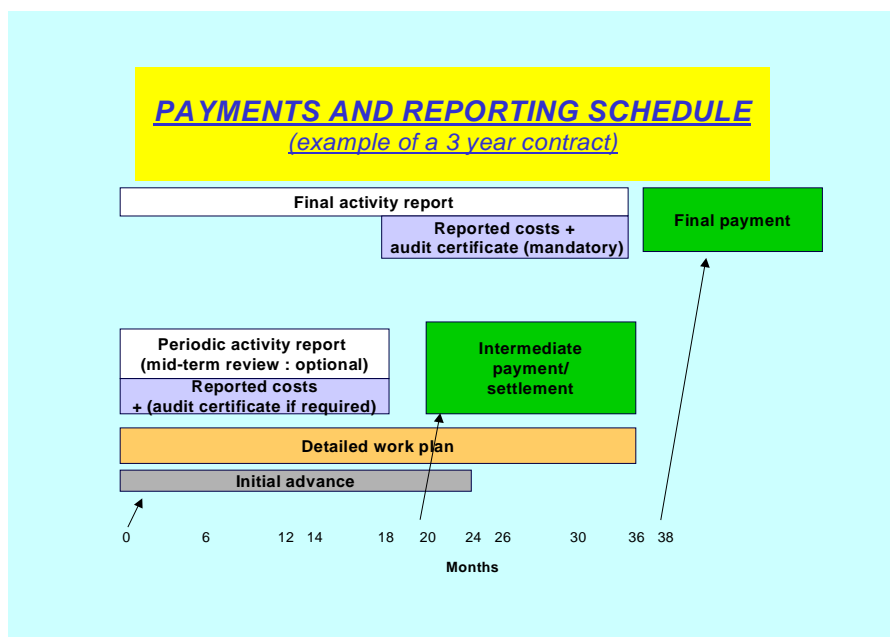
## 6.2. Payments schedule

The payments schedule, described below, has been designed to give greater financial security to the project.

At the start of the contract, the Commission will pay an advance equivalent to 85% of its foreseen contribution for the first scientific reporting period of the project, increased by 6 months (i.e. for an 18 month period in a 24 month project or a 24 month period in a 36 month project respectively) based on the project's approved overall financial plan. The scientific reporting period covered by the advance may be adjusted accordingly for projects of a duration of less than two years.

After approving the periodic reporting documents mentioned above, the Commission will initiate the associated intermediate payment(s), consisting of the outstanding 15% of the its foreseen contribution for the aforementioned initial period (e.g. 18 or 24 months respectively) and of 85% of its foreseen contribution for the following period until the end of the project (e.g. 6 or 12 months respectively).

At the end of the project, after approval of the above final reporting documents (i.e. at month 26 and 38 for the above examples), the Commission will pay the balance, i.e. the remaining 15 % of the foreseen Community contribution for the last period of the project (subject of course to ex-post audit).



## Reporting and payment schedule for a 36-month Specific Targeted Research project

### 6.3. Replacement of a participant

When the consortium is faced with the need to replace a participant, for example one that has withdrawn, the new participant may be selected by the consortium, subject to the Commissions approval, and without any increase in the maximum Community contribution to the project. The Commission may object to the inclusion of particular selected new participants on grounds such as financial precariousness or past frauds.

### 6.4. Final reporting

At the completion of the project, a **final report** will assess the results of the project against its agreed objectives. The final report will also include, among others: an analysis and evaluation of the potential economic and social impact of the technologies concerned and the factors involved in their successful exploitation; a description of the project's activities and future plans regarding the use and dissemination of knowledge; an assessment of any equal opportunity promotion actions included in the project.

The final report should be accompanied by an expenditure report and an **auditor's certificate** per participant, furnished by an **external auditor** (or, in the case of public legal entities, competent public officer), showing the costs incurred by the participant for the whole duration of the project, per activity with a distinct rate of Community support.

*Note: For projects having a duration of more than 24 months, an auditor's certificate per participant will be required at the end of the first year and at the end of the project. For projects having a duration up to 24 months, an auditor's certificate per participant will only be required at the end of the project, unless otherwise specified in the contract.*

## 7. FOLLOW UP AND MONITORING

The Commission services will monitor the project so as to ensure proper work execution according to the terms of the contract, to protect the Community's financial interests and to ensure maximum synergy and coherence with other actions within the specific programme.

### 7.1. Regular follow-up by Commission services

A Project Officer (PO) from among the Commission staff will be assigned to each project. The PO may be assisted by other persons, internal and external to the Commission, with the appropriate technical expertise. The PO maintains close contact with the project management person/team in order to ensure proper overall monitoring, as well as timely feed-back between the project and the Commission on developments needing particular attention. PO tasks include:

- serving as a permanent contact point for the project;
- responsibility for the follow-up of the project, including analysing all project reports, both from the scientific/technical and financial/managerial points of view;
- attending any formal project reviews and any consortium meetings where this is deemed necessary.

The contract (in case of a duration of 3 years or more) may foresee a **mid-term review**, with the possible assistance of external experts.

More specific technical audits, as well as financial and technological audits, may also be launched by the Commission (see next section).

### 7.2. Audits

The model contract will specify an audit regime to enable the Commission to proceed to audits, dealing with **technical, financial, technological** (innovation impact) and **ethical** aspects:

- **Technical audits** may be launched at any point during the implementation of the project in order to verify that the *project* is being or has been carried out in accordance with the conditions indicated by the participants. A yearly review would be considered a technical audit.
- **Financial audits** may be launched at any time, and may deal with any aspect of the financial implementation, e.g. the volume of the resources dedicated to the implementation of the project by the participants.
- **Technological audits** dealing with the use and dissemination of results may be launched at the end of all the projects, but may also be carried out earlier, if considered necessary by the Commission.
- **Ethical audits** may be launched at any time during the implementation of the project in order to verify that the project has been carrying out its tasks with respect of fundamental ethical principles and national regulations.

Various audits may be undertaken simultaneously. In particular, parallel technical and financial audits of a given project could be opportune. The Commission itself will conduct them or entitle another entity to do so.

## **8. INTELLECTUAL PROPERTY ASPECTS**

### **8.1. General principles**

The rules regarding the protection dissemination and use of knowledge have been **simplified** and a larger **flexibility** is granted to the participants:

- rules are identical for all participants;
- rules concentrate on the principles and provisions considered necessary for an efficient co-operation and the appropriate use and dissemination of the results;
- participants may define among them the arrangements that fit them the best within the framework provided in the model contract.

It should be noted that the same rules are intended to apply, where relevant, to all instruments used for implementing FP6.

### **8.2. Ownership of knowledge**

Since specific targeted research projects are not funded 100 % by the Community, participants will own the intellectual property of the knowledge resulting from the project.

### **8.3. Protection of knowledge**

The owner of knowledge should provide adequate and effective protection for knowledge that is capable of industrial or commercial application.

The Commission may adopt protective measures when it considers it necessary to protect knowledge in a particular country, and when such protection has not been applied for or has been waived.

Participants may publish information on the knowledge acquired under the project, provided this does not affect the protection of that knowledge.

### **8.4. Use and dissemination of knowledge**

Participants shall use or cause the use of the knowledge arising from the project, which they own, in accordance with their interests and with the provisions agreed among them.

If dissemination of knowledge would not adversely affect its protection or its use, it should be disseminated by the participants within a period laid down by the Community. If the participants fail to do so, the Commission may disseminate the knowledge. In doing that the Commission and the contractors should take into consideration the following elements:

- the benefits of swift dissemination (in order to avoid duplication of research efforts and create synergies between actions);
- the need to safeguard intellectual property rights;
- confidentiality;
- the legitimate interests of the participants.

## **8.5. Access rights**

### **Main principles**

The provisions relating to access rights **are the same for all participants** (contrary to the FP5 situation, providing for different access rights for principal/assistant contractors). As a consequence, the table summarising the access rights system is much simpler (see below).

The control of pre-existing know-how by its owner(s) has been improved by making it possible for a participant to exclude specific pre-existing know-how from the obligation to grant access rights to it to other participants in agreement with all other participants before the start of the project.

The control of knowledge resulting from the project by its owner(s) has also been improved: a participant enjoys access rights to another participant's knowledge only if such access rights are necessary for the first participant to use its own knowledge.

Obligatory access rights between different projects have been suppressed. However, the participants may conclude any agreement aimed at granting additional or more favourable access rights (including to third parties, e.g. affiliates), or at specifying the requirements applicable to access rights (without restricting them). Such provisions may for instance be included in consortium agreements.

The Commission may object to the granting of access rights to third parties, in particular to those which are not established in a Member State or an Associated State, if granting such rights is not in accordance with the interests of developing the competitiveness of European industry, or with ethical principles, in particular those described in the Charter of Fundamental Rights of the European Union.

### **Access rights for the execution of the project**

In as much as such access rights are needed to carry out their own work under the project, **all participants** in the project **enjoy access rights** to: (a) the knowledge arising from work carried out under the project and, (b) the pre-existing know-how of the other participants.

Access rights **to knowledge** shall be granted **on a royalty-free basis**. Access rights **to pre-existing know-how** shall be granted **on a royalty-free basis**, unless other conditions have been agreed before signature of the contract.

Subject to its legitimate interests, the termination of the participation of a participant shall in no way affect the obligation to grant such access rights for the execution of the project to the other participants until the end of the project.

### **Access rights for use purposes** ("use" = exploitation + further research)

In as much as such access rights are needed to use their own knowledge resulting from the project, participants in the project enjoy access rights to: (a) the knowledge arising from work carried out under the project, and, (b) the pre-existing know-how of the other participants.

Access rights **to knowledge** shall be granted **on a royalty-free basis, unless** other conditions were agreed upon before signature of the contract. Access rights **to pre-existing know-how** shall be granted **on non-discriminatory conditions** to be agreed.

Subject to the participants' legitimate interests, such access rights for use purposes may be requested until two years after the end of the indirect action or after the termination of the participation of a participant, whichever falls earlier, unless the participants agree on a longer period.

**SUMMARY OF ACCESS RIGHTS**

|   | <b>Access rights to pre-existing know-how</b>  | <b>Access rights to knowledge resulting from the project</b>      |
|---|--|---|
| <b>For carrying out the project</b>                       | Yes, if a participant needs them for carrying out his own work under the project   |   |
|   | Royalty-free, unless otherwise agreed before signing the contract  | Royalty-free  |
| <b>For use purposes (exploitation + further research)</b> | Yes, if a participant needs them for using his own knowledge   |   |
|   | On non-discriminatory and reasonable conditions to be agreed   | Royalty-free, unless otherwise agreed before signing the contract |
|   | Possibility for participants to agree on exclusion of specific pre-existing know-how of a participant from this obligation before this participant signs the contract (or before entry of a new participant) |   |

## ANNEX I

### PARTICIPATION AND FINANCING POSSIBILITIES BY COUNTRY OF ESTABLISHMENT OF PARTICIPANT

| Participant's country of establishment   | Participation   | Financing   |
|--|---|---|
| European Union Member States, JRC  | Rightfully  | Rightfully  |
| Associated Candidate Countries   | Rightfully  | Rightfully  |
| Other Associated Countries   | Rightfully  | Rightfully  |
|  |   |   |
| International organisations of European interest   | Rightfully  | Rightfully  |
|  |   |   |
| Russia, New Independent States, Mediterranean Countries, Developing countries (with or without a co-operation agreement) | Rightfully over and above the minimum threshold                                 | Within the limits of the budget available for international co-operation activities in the context of the thematic priorities |
|  |   |   |
| Third countries having a co-operation agreement  | Rightfully over and above the minimum threshold                                 | If Community contribution is necessary and foreseen by the Work Programme   |
|  |   |   |
| Other third Countries  | If participation is foreseen or if it is necessary for carrying out the project | If Community contribution is foreseen or if it is essential for carrying out the project                                      |
| Other international organisations  | Rightfully over and above the minimum threshold                                 | If Community contribution is foreseen in the work programme or if it is essential for carrying out the project                |

## ANNEX II

### **CONTENTS OF SPECIFIC TARGETED RESEARCH PROJECT PROPOSALS**

Applicants may be asked to include the following elements in their proposals:

#### **Objectives and expected impact**

- the scientific and technological objectives of the project and expected socio-economic impact;
- the contribution of the project to the scientific, technical, socio-economic and policy objectives of the work programme;
- a description of the international state of the art and of how the project intends to advance beyond (originality);
- an assessment of the potential impact of the technology on society.

#### **Work plan and associated budget**

- a detailed work plan for the whole duration of the project, highlighting the expected deliverables and the associated overall financing plan, in terms of a precise budget broken down by work package within each activity (where relevant; see Section 2) and by participant, including identification of the various contributions to the budget and their origin;
- a management level justification for the resources and budget needed.

#### **The consortium and the project resources**

- the role of the participants and the specific skills of each of them (complementarity);
- the resources (human and material) that will be deployed for the implementation of the project;
- the description of how the project intends to involve SMEs in its implementation (if appropriate).

#### **Project management**

- a description of the organisation, management and decision-making structures of the project.

#### **Exploitation and dissemination plans**

- a plan for the management and protection of knowledge and intellectual property rights;
- a description of any innovation-related activities to be carried out in the duration of the project and where relevant a plan for exploitation of results;
- the plan for dissemination of knowledge (e.g. to policy makers, citizens, etc.).

#### **Ethics, safety and other issues** (where relevant)

- the identification of potential ethical and safety issues and the way they will be handled.

The “Guide for Proposers” of the relevant call will specify precisely the required content of the proposal.