



**FUEL CELLS AND HYDROGEN**  
JOINT UNDERTAKING

## **FCH 2 JU GRANT AGREEMENT**

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# LEGAL FRAMEWORK OF A H2020 PROJECT



## EU Financial Regulation

### 1. H2020 Rules for Participation

Applicable Work Plan

### 2. Grant Agreement (GA)

Governs the relation between the funding body and the beneficiaries

### 3. Consortium Agreement (CA)

Governs the relation between beneficiaries - Mandatory



# GRANT AGREEMENT ANNEXES



Annex 1: Description of the Action

Annex 2: Estimated Budget

Annex 3: Accession Forms, 3a, 3b (\*)

Annex 4: Financial Statements

Annex 5: Certificate on the Financial Statements

Annex 6: Certificate on the Methodology



# TYPES OF THIRD PARTIES – OVERVIEW



Types of third parties	CHARACTERISTICS						
	Does work of the action	Provides resources or services	What is eligible?	Must be indicated in Annex 1	Indirect costs	Selecting the third party	Articles
Linked third party	YES	NO	Costs	YES	YES	Must be affiliated or have a legal link	Article 14
Subcontractors	YES	NO	Price	YES	NO	Best value for money, avoid conflict of interest	Article 13
International partners	YES	NO	No EU funding	YES	No EU funding	Partner to one beneficiary	Article 14a
In-kind contributions by third parties	NO	YES	Costs	YES	YES	Not used to circumvent the rules	Articles 11 and 12
Contractors	NO	YES	Price	NO	YES	Best value for money, avoid conflict of interest	Article 10



# DIFFERENT BUDGET CATEGORIES

A. Direct personnel costs		B. Direct costs of subcontracting	C. Direct costs of fin. support]	D. Other direct costs	E. Indi
ees (or equivalent)	A.4 SME owners without salary			D.1 Travel	
persons under contract	A.5 Beneficiaries that are natural persons without salary			D.2 Equipment	
ed persons				D.3 Other goods and services	
nel for providing research [re]				[D.4 Costs of large research infrastructure]	
Unit <sup>7</sup>	Unit <sup>8</sup>	Actual	Actual	Actual	Fla

Workforce costs

# LINKED THIRD PARTIES



## MAIN CHARACTERISTICS:

- PIC number required - Must be included in the GRANT
- Same cost eligibility criteria as beneficiaries
- FCH 2 JU may request joint and several liability for their EU contribution

Where to add information:

- Section 4.2 of DoA
- breakdown of budget required in Sygma /Annex 2



# SUBCONTRACTS



## MAIN CHARACTERISTICS

- Ensure best value for money and avoid any conflict of interests
- Estimated costs and tasks must be identified in Annex 1 & Annex 2
- Excluded from the calculation of indirect costs

### Not Allowed:

- Subcontracting between beneficiaries or to affiliates.
- Coordination tasks of COO

Where to add information:

- Section 4.2 of DoA
- budget required in Sygma /Annex 2



# BEST VALUE FOR MONEY



## ELIGIBILITY CRITERION!

You must demonstrate “best value for money” both in subcontracts and in purchase of goods

1. Some level of tendering to demonstrate best value: e.g. tender, three offers, market survey, etc
2. Naming the supplier in the grant does not mean that you do not have to demonstrate best value
3. We will normally accept your standard practices when properly used

But...

Your accounting practices are not panacea!





# CONTRACTS



## MAIN CHARACTERISTICS

- For the purchase of goods, works or services (limited in costs and scope)
- Ensure best value for money and avoid any conflict of interests
- Equipment (assets): depreciation and percentage of use

### Not allowed:

- Contracts between beneficiaries  
(the beneficiary who provides the goods/ services should charge the costs of providing, not the price)
- Contracts with affiliates: only if BVFM
- Generate 25% indirect costs

Where to add information:

- Section 3.4 of Annex 1
- budget required in Sygma /Annex 2 «Other Direct Costs» category



# IN KIND CONTRIBUTORS



## MAIN CHARACTERISTICS

- 2 types:
  - ☐ free of charge or
  - ☐ against payment
- Only the actual eligible costs of the third party may be charged
- Form:
  - ☐ seconded persons, contributed equipment, infrastructure or other assets
  - ☐ other contributed goods and services
- Separate estimated costs and type of in kind contribution must be identified in Annex 1 – DoA



### Where to add information:

- Section 4.2 of DoA
- Budget to be added to the budget of beneficiary per costs category in Sygma / Annex 2



# INTERNATIONAL PARTNERS



## MAIN CHARACTERISTICS

- Participate in the grant by performing tasks – PIC required
- No EU funding
- Do not sign the grant
- Do not report financially
- Only report technically
- Do not need to have a legal link to the beneficiary



## MORE INFORMATION



### Instructions for filling in Annex I Part A and Part B

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# DURATION AND START DATE



## 1. Duration:

- Established in months – Art.3 of the grant

## 2. Start date:

- Art.3 – usually the first day of the month
- **By default**: the month following the entry into force (signature)
- **Only if justified**: fixed date
  - ☐ General rule: later than entry into force
  - ☐ Exceptionally: between the date of submission of your proposal and the date of entry into force



## REPORTING PERIODS



- The action is divided into reporting periods (Article 20.2)
- As a general rule, reporting periods last 12 months and max.18 months.
- The number of reporting periods depends on the action duration

EXAMPLE:

DURATION	NUMBER OF REPORTING PERIOD
1 to 12	1
13 to 24	2
25 to 42	3



# FUNDING RATES



## DIRECT COSTS:

The same for all beneficiaries and activities in the grant

Defined in Part D of the General Annexes to the Horizon 2020 Work Programme 2018–2020

☐ RIA: up to 100%

☐ CSA: up to 100%

☐ IA: up to 70%

Exception: non-profit legal entities – up to 100%

## INDIRECT COSTS:

☐ single model: 25% flat rate



# TYPES OF COSTS



## ACTUAL COSTS

- costs actually incurred, identifiable and verifiable, recorded in the accounts etc
- art 6.1 of the grant)

## UNIT COSTS

- A fixed amount per unit determined by the Commission( e.g. SME owner's unit costs)
- For average personnel costs ( based on your usual accounting practices)
- Art 6.1 b)

## FLATE RATE

- A PERCENTAGE CALCULATED BASED ON THE ELIGIBLE COSTS
- Indirect costs = 25% x Direct costs





## TYPES OF COSTS

FORMS OF COSTS	BUDGET CATEGORIES			
	DIRECT COSTS			INDIRECT COSTS
	Personnel	Subcontracting	Other	
Actual costs	✓	✓	✓	✗
Unit costs	<b>Yes for</b> - Average personnel costs - SME owners & natural persons without a salary	✗	✗	✗
Flat-rate costs	✗	✗	✗	✓

# RECEIPTS



## WHERE?

Article 5.3 of the grant

## WHY?

The grant must not produce a profit => the total accepted EU contribution + receipts are capped at the total accepted costs



## WHAT?

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



# REPORTING AND PAYMENT

PERIODIC REPORTS – ART. 20



## PERIODIC TECHNICAL REPORT

- Explanation of work and progress overview
- Summary for publication
- Questionnaire

## PERIODIC FINANCIAL REPORT

- Explanation on the use of resources + subcontracting + in kind contributions
- Individual financial statements
- Periodic summary financial statement



# REPORTING AND PAYMENT

FINAL REPORTS – ART. 20



## FINAL TECHNICAL REPORT

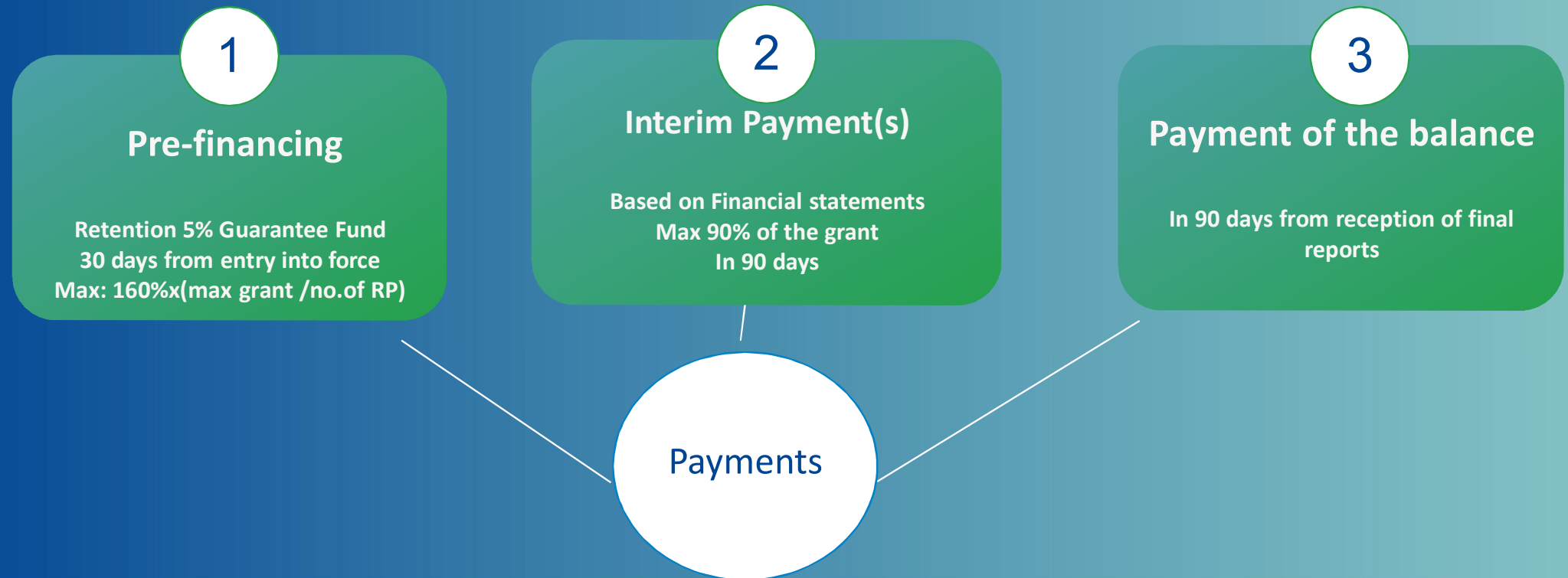
- Summary for publication:
  - overview
  - Conclusions
  - Socio-economic impact

## FINAL FINANCIAL REPORT

- Final summary financial statement (automatic)
- Certificate on the financial statements (>325.000 €)



# PAYMENTS



## OPEN ACCESS TO PUBLICATIONS

## Art 29.2 of the grant agreement



- Obligation to provide open access to scientific publications through the deposit in a repository;
- The obligation extends to the bibliographic metadata;
- Any costs related to the implementation of these provisions are eligible

Support: [www.openaire.eu](http://www.openaire.eu)



# OPEN ACCESS TO RESEARCH DATA



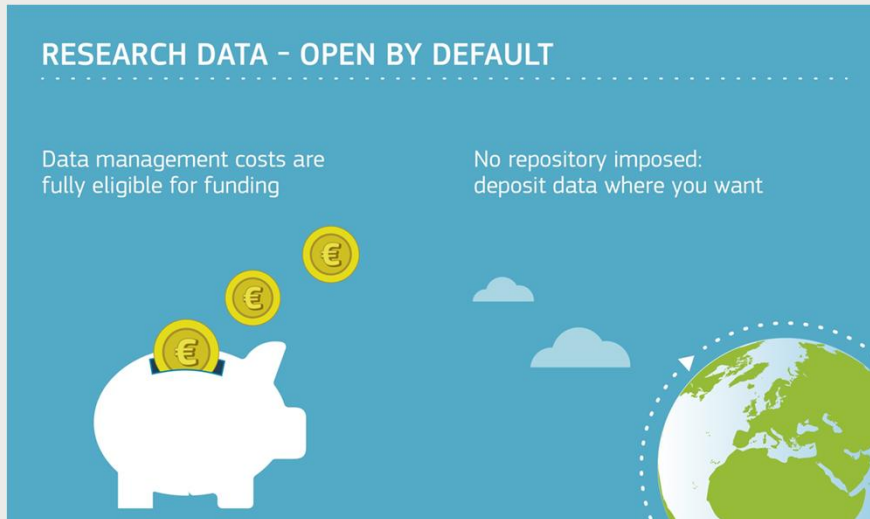
## HOW TO?

A template & other information is available on the Participant Portal: [http://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/open-access-dissemination\\_en.htm](http://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/open-access-dissemination_en.htm)

OpenAire offers guidance as well:

- How to create a DMPan: <https://www.openaire.eu/opendatapilot-dmp>
- What to deposit, when to deposit, where to deposit: <https://www.openaire.eu/h2020-oa-data-pilot>

DMP is a deliverable to be submitted within the first 6 months



# ADDITIONAL ACTIVITIES OF NON-MEMBERS



## What?

- additional investment in FCH technologies and related activities that are not included in the project activities, but undertaken outside its work plan, which are not funded by the JU.

## By whom?

- non-members of Hydrogen Europe or Hydrogen Europe Research

## Why?

- to capture the full picture of FCH developments and assess the investment from all legal entities that contribute to the objectives of FCH 2 JU

## Where?

- In section 2.2.a) Plan for dissemination and exploitation of results – Annex 1, Part B

See the separate “Instructions” which have been provided





# ADDITIONAL INFORMATION



**Horizon 2020 Annotated Grant agreement:**

[https://ec.europa.eu/research/participants/data/ref/h2020/grants\\_manual/amga/h2020-amga\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/amga/h2020-amga_en.pdf)

**Horizon 2020 On-line Manual**

[https://ec.europa.eu/research/participants/docs/h2020-funding-guide/index\\_en.htm](https://ec.europa.eu/research/participants/docs/h2020-funding-guide/index_en.htm)

**Horizon 2020 Indicative Audit Programme**

[https://ec.europa.eu/research/participants/data/ref/h2020/other/gm/audit/h2020-iap\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/other/gm/audit/h2020-iap_en.pdf)

**For amendments:**

Legal basis: [https://ec.europa.eu/research/participants/data/ref/h2020/other/events/2019-04-11/2\\_amendements-legal-basis\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/other/events/2019-04-11/2_amendements-legal-basis_en.pdf)

The business process and IT tool:

[https://ec.europa.eu/research/participants/data/ref/h2020/other/events/2019-04-11/3\\_amendments-bp-it\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/other/events/2019-04-11/3_amendments-bp-it_en.pdf)





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**For further information**

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