



**THE SIXTH FRAMEWORK PROGRAMME**

The Sixth Framework Programme focuses on Community activities in the field of research, technological development and demonstration (RTD) for the period 2002 to 2006

**NEGOTIATION GUIDANCE NOTES**

for  
Coordinators of

**SPECIFIC TARGETED RESEARCH PROJECTS (STREP)  
OR  
SPECIFIC TARGETED INNOVATION PROJECTS (STIP)**



This document can be downloaded from  
URL: <http://www.cordis.lu/fp6/negotiation>

## FOREWORD

### **Version 3 differs from Version 2 on the following points:**

- Section 2.5: clarification on consortium agreements added;
- Section 2.6: new section with information on ‘where to find support’ added (e.g. IPR helpdesk, CPF Editor helpdesk);
- Section 3.1: information on ‘Additional Financial Support – “BONUS” – from Structural Funds’ added;
- Section 6.2: footnote added with information where to find the ‘Project reporting in FP6 - Guidance notes’ available on CORDIS.
- Appendix 4 added with clarification on ‘subcontracting under FP6’;
- Appendix 6 added, with further details on ‘Additional Financial Support – “BONUS” – from Structural Funds for certain contractors’: How to check eligibility and how to apply

### **Version 2 differs from Version 1 on the following points:**

- Sections 3.3, 4.1 & 10: these sections now consistently state that only one unbound copy of the final CPFs, on white paper, with original signatures, is needed;
- Section 3.7: URL for FAQs has changed;
- Section 4.1: URL for CPF-Editor has changed;
- Section 5.2: one heading in structure of Annex 1 adapted to structure of Part B in Guide for Proposers; references to proposal sections corrected/inserted; where necessary, content of requested Annex 1 sections slightly revised;
- Section 7: where applicable, ‘management activities’ consistently changed to ‘management of the consortium activities’;
- Section 11: Switzerland has changed to ‘Associated State’ status as of 1 January 2004.

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# **1. INTRODUCTION**

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## 1. Introduction

This document is provided for proposers who have been invited for negotiation following the evaluation of proposals for **Specific Targeted Research or Innovation Projects** within the EC's Sixth Framework programme (FP6) of research, technological development and demonstration for the period 2002-2006. It outlines the information and work necessary in the preparation of a contract for Specific Targeted Research or Innovation Projects <sup>1</sup>under FP6.

This document continues in Section 2 with an overview of the process whereby a Commission contract is negotiated and signed.

Section 3 briefly explains the different steps of the negotiation process.

Section 4 describes the completion of the Contract Preparation Forms.

Section 5 covers the preparation of the Annex I "Description of Work" of the Commission contract, this latter being the part of the contract which documents in detail the work which will be carried out during the project.

Section 6 details some relevant elements concerning the later management of the contract.

**An invitation to commence negotiation does not under any circumstance guarantee funding of a project. Among the problems which commonly arise:**

- The funding of the proposal may be dependent on the acceptance of changes requested by the Commission services. These changes may be unacceptable to the proposers.
- The amount of Commission funding contribution for a project is approximately fixed, it will not normally be possible to increase it. The level of funding which the Commission is able to offer may be unacceptable to the proposers.
- Funding is offered under specific conditions of reporting, dissemination, specific provisions for intellectual property rights etc. These are fixed in the model contract and are non-negotiable. Any of these conditions may be unacceptable to the proposers.
- Individual participants within a proposing consortium may wish to withdraw during the course of negotiations (because of the budget distribution between participants or Intellectual Property Rights (IPR) arrangements, for example). If the Commission judges that this has removed a significant justification for doing the work, or a vital necessary resource, it may withdraw the offer of negotiation, or suspend it, giving the proposers a fixed time limit to find an acceptable solution.
- Potential signatories to a Commission contract are subject to an individual eligibility check, which may include a financial check by Commission services. In some cases the Commission may not be able to enter into a contract with certain organisations or physical persons based on financial insecurity, lack of certification of the organisation's financial and general condition as required by the Commission Financial Regulation, or for reasons of irregularity or violation of fundamental ethical principles. However, in such cases, the consortium may be offered the possibility to start with the project either with a reduced number of participants or to replace an ineligible participant.
- Funding must be committed promptly. If negotiations cannot be completed on a timely basis, the Commission will normally terminate negotiations and commit the money elsewhere. Your letter of invitation to negotiations will have specified the time limit in your case.

<sup>1</sup> Negotiation Guidance Notes for the other instruments under the sixth framework programme are available separately.  
*Negotiation Guidance Notes – Specific Targeted Research or Innovation Projects – Version 3, March 2005*

## 2. Overview of contract preparation

### 2.1. Invitation to negotiations

Following the positive evaluation of a proposal for negotiation, and the definition of an appropriate maximum Community financial contribution for the work, the contact person(s) for the proposing consortium is invited to commence negotiations with the Commission for a contract.

The proposers will have received beforehand the Evaluation Summary Report (ESR), which informed them of the results of the evaluation and any changes or aspects to be reviewed during negotiation. The proposals that have undergone an ethical review will also receive an Ethical Review Report (EER), which may contain recommendations to be taken into account in the negotiations and in the description of Annex I. The “Framework for Negotiation” which is included in the letter of invitation to negotiations may indicate further comments and suggestions for changes to the proposed project that arose from any post-evaluation process within the Commission, which need to be taken into account in the negotiations. It also indicates the time schedule and the location for the negotiation meetings (normally in Brussels or Luxembourg<sup>2</sup>). It identifies one (or more) of the Commission’s staff as “Project Officer” or “Project Officers Team” of which one person will lead the contract negotiations on the Commission side. The Project Officer may be assisted by other colleagues who also attend negotiations.

The letter of invitation may indicate a deadline by which the consortium must provide the first drafts of Annex I and of Contract Preparation Forms (see section 2.2), including any supporting documents.

The letter of invitation may indicate a deadline by which negotiations must be completed. **In the event that negotiations are not satisfactorily completed by that time, the Commission may terminate the process and reject the proposal.**

In all cases, the Commission reserves the right to terminate negotiations at any time, and to reject the proposal, in the event of inadequate progress in negotiations.

The letter of invitation also encloses or points to web addresses for:

- A copy of the present document
- The model contract and its annex II (General conditions)<sup>3</sup>
- The Contract Preparation Forms and supporting notes
- The Financial Guidelines for indirect actions of the sixth Framework Programme<sup>4</sup>
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Other documents which provide useful information for the contract preparation and negotiation are:

- The consortium agreement checklist<sup>5</sup>;
- Provisions for implementing Specific Targeted Research or Innovation Projects<sup>6</sup>
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<sup>2</sup> It may propose another location, for example if the Commission negotiator wishes to inspect the proposers’ facilities or review a demonstration as part of the negotiation process

<sup>3</sup> Where FP6 model contract is mentioned in these guidelines, it concerns the model contract for any FP6 instrument, except for actions to promote human resources and mobility. For the latter, there is a specific model contract. The model contract and its’ annexes can be downloaded from:

[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)

<sup>4</sup> The financial guidelines for FP6 can be downloaded from: [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)

<sup>5</sup> The Commission’s consortium agreement checklist is available from:

[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)

<sup>6</sup> For a complete overview of the purpose of a STREP, please consult the relevant background document at the following internet address: <http://europa.eu.int/comm/research/fp6/pdf/strep-ip.pdf>

### **The model contract**

Before beginning negotiation, proposers must carefully read the model contract and its Annex II. The Guide to financial issues relating to indirect actions of FP6 should be referred to for further explanations, if necessary.

These documents are available 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). The model contract establishes the legal framework for the project's funding and administration. The consortium agreement between the future contractors will build on that basis and set out the detailed procedures and framework for managing the project.

### **2.2. Contract Preparation Forms (CPFs)**

These forms collect the information that the Commission needs to prepare the administrative and budgetary parts of the contract, to check the financial and legal viability of the consortium and the participants, and to gather certain programme-wide statistical information, which is required by Council and Parliament.

The forms (to the fullest extent possible) are compatible with the forms used in the proposal submission, so that information from these may be directly transferred into the CPFs - though proposers have a duty to check for changes since the proposal was prepared (e.g. changes of address, contact names, phone numbers etc.) or any changes they need to make following the recommendations of the Commission.

The CPFs also require future contractors to assemble a number of supporting documents giving details of their companies/organisations, which must be submitted to the Commission with the forms. Note that the Commission can only negotiate with and offer contracts to currently existing entities: **the legal existence of your organisation must pre-date the contract signature/accession to the contract.**

The Commission Project Officer may request further information later on in the course of negotiations, particularly for the organisation proposing to act as coordinator for the consortium (see below), and in some cases may request a form of financial guarantee.

### **2.3. First draft of Annex I and CPFs**

Based on these guidance notes and the information received, the proposers should make a first draft of the Contract Preparation Forms, and of the "Description of Work" (which in its final version will become Annex I to their contract) taking into account the comments made by the Commission in the "Framework for Negotiation" or in the negotiation meetings. The layout of this Annex is described in detail later in this document.

The first draft of Annex I, the Contract Preparation Forms and supporting documents, are sent by the proposers to the Commission Project Officer. They must be received by the Project Officer **at least five working days** prior to the first negotiation meeting. This permits the Project Officer to review the information in detail so that an effective and constructive meeting can take place.

If this material is not available by the deadline of five working days prior to the meeting, the Commission Project Officer will normally cancel the meeting and will only reschedule it when the material is in his/her hands. **Any deadline for completion of negotiations remains unchanged.**

(Note: While the final version of the CPFs is required to be signed by all project participants, signatures are not required on any draft versions which may be produced during the negotiation process, as these are not yet final documents).

#### **2.4. Consortium Coordinator**

The proposers will identify from within the consortium the organisation (and the person from that organisation) that will act as their co-ordinator and propose this to the Commission. He/she will lead the negotiation on the proposers' side. Most often this will be the organisation and the person who co-ordinated the proposal writing and submission, but another partner may take on the role if the consortium members so agree. The co-ordinator normally attends all negotiation meetings and leads the proposers' negotiation team. There is a single co-ordinator for the consortium.

Once the contract is signed, the co-ordinator will act as the interface with the Commission services and take on all the coordinator's responsibilities established by the contract.

The co-ordinator must ensure that all contractors accede to the contract within the timescales established by the contract. The co-ordinator submits all documents to the Commission and ensures general liaison between the contractors and the Commission. The coordinator is also responsible for submitting financial statements and receiving in trust for the consortium all payments from the Commission and distributing them among the contractors according to their decisions. The choice of the co-ordinator should therefore take into account the organisation's management capacities and legal and financial stability. The Commission may object to the choice of the proposers on such grounds.

#### **2.5. Consortium Agreement**

Consortium agreements are mandatory for most **Specific Targeted Research or Innovation Projects** in the Sixth Framework Programme (unless the call for proposals removes this obligation). Where mandatory, the consortium agreement should be finalised before the signature of the contract and at the latest within a short time after the signature. In such cases, the contract will deem that the consortium agreement exists once the contract is in force. Even if not mandatory, a consortium agreement is strongly recommended. Also the EC contract requires that certain intellectual property provisions must be agreed before the EC contract is signed if they are to be applied.

The **Consortium Agreement** provides the legal basis for the relationship and responsibilities between the contractors for the duration of the work, that go beyond those established by the EC contract. It is particularly important to settle matters such as the technical management of the project, the sharing of intellectual property rights, set out the procedures for distribution of the budget, for settling of disputes etc. Proposers should be aware that such agreements do not affect the rights of the Commission arising from the EC contract and the corresponding individual and/or collective obligations of the contractors vis-à-vis the Commission.

Information and guidance on the content of a consortium agreement is available from the IPR helpdesk, which may be consulted on the following address: <http://www.cordis.lu/ipr-helpdesk>.

### **CONSORTIUM AGREEMENT – Who ? What ? Why? Where information available?**

A consortium agreement is obligatory in the vast majority of projects financed under FP6. Where a consortium agreement is not obligatory this will be set out in the text of the call for proposals. The consortium agreement is entered into between the EC project's contractors and is their sole responsibility. The Commission is not a party to the consortium agreement (unless the Joint Research Centre of the European Commission is a participant carrying out part of the project) and **the Commission does NOT verify or check the content of the consortium agreement** (except for the special case of the SME specific actions of collective and cooperative research).

The terms of the consortium agreement cannot contradict the provisions of the EC contract. They may further develop those provisions or clarify details, specify the organisation of the work to be carried out and establish decision-making and dispute settlement procedures for the consortium. In addition the consortium agreement can be used to identify the particular provisions relating to terms of the EC contract that can be modified prior to its signature (such as the terms and conditions of: access rights to pre-existing know-how for carrying out the project; access rights to knowledge for use of a contractor's own knowledge; exclusion of specific pre-existing know-how).

**A checklist of issues that can be addressed in the consortium agreement is available 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).**

The consortium must decide on terms and conditions of their consortium agreement (including the applicable law) that suits its members and their interests.

The consortium agreement is important for determining the provisions for distribution of the EC financial contribution including the pre-financing.

## **2.6. Where to find Support**

### **Commission contact person(s) for the negotiation**

The letter inviting a consortium for negotiation includes the name(s) and contact details of Commission official(s) who is/are in charge of the negotiations on behalf of the Commission. This (these) contact person(s) will be able to assist with specific questions on the technical and financial issues.

Questions related to CPF content, mandatory fields in the CPFs, business rules, etc are best handled by the Commission official(s) assigned to project negotiation.

### **The Intellectual Property Rights Helpdesk**

The IPR-Helpdesk is a European Commission co-financed initiative run by a consortium of organisations co-ordinated by the University of Alicante. Its main objective is to assist potential and current contractors taking part in Community funded projects on Intellectual Property Rights issues, and in particular on Community diffusion and protection rules and issues relating to IPR in international projects. Another objective is to raise awareness in the European research community on IPR issues, emphasising their European dimension.

It operates a free helpline offering a first line assistance on IPR related issues. The helpline is run in English, French, Italian, German and Spanish.

Website<http://www.ipr-helpdesk.org>Helpline (detailed queries)

tel +34 96 590 97 18

fax +34 96 590 97 15

ipr-helpdesk@ua.es

Representative office (general information)

tel +32 2 649 53 33

fax +32 2 647 59 34

ipr-helpdesk@global-eu.com

**The CPF Editor helpdesk and user guides**

To download the CPF editor application, users should click on the following link: [CPF Editor 2.8](#) . A short guide explaining all practical and necessary steps to download and install the software is available here: [Guidance on downloading](#)

If a co-ordinator has a TECHNICAL problem (not linked to data indicated in the forms), support (for all calls related to FP6) should be directed to the following mailbox: [EC-FP6-IT-HELPDESK@cec.eu.int](mailto:EC-FP6-IT-HELPDESK@cec.eu.int)

The help desk will address all issues related to the CPF editor and is available from 08.00 to 20.00 (CET) depending on e-mail traffic. All requests will be treated on a first in/first out basis.

To ensure a prompt service, any request for assistance should be addressed to the right contact in the Commission and should always include the following indications:

- call reference
- proposal number
- name of relevant research Directorate General
- name of EC PO (Project Officer) or SO (Scientific Officer)
- type of CPF
- version number of the CPF editor
- operating system of co-ordinator's PC
- name, organisation and phone number

Should contractors have questions regarding other aspects, they are advised to contact the various Infodesks maintained by the European Commission. See <http://www.cordis.lu/fp6/infodesks.htm>.

### 3. Negotiation

The main purpose of the negotiations is to establish an agreement on the work to be carried out under the contract and the associated budget as well as to establish the legal and financial information necessary to establish the contract. The starting point for negotiations will be the proposal submitted to the Call for Proposals and due account will be taken of the recommendations for adjustments as provided following its evaluation.

Although two meetings should be foreseen for the negotiations, in most cases it may be possible to finalise the negotiations in a single session<sup>7</sup>. On the other hand, negotiations may require more than two meetings. Whatever the number of meetings, the overall deadline for completion of negotiations remains unchanged, unless otherwise agreed. You will be notified of this deadline in the letter inviting you to begin negotiations.

The co-ordinator normally attends all meetings<sup>8</sup>, but it is not necessary that all other consortium members attend; indeed experience shows that it is beneficial if the consortium empowers a smaller delegation to negotiate on its behalf since the result of these negotiations will be approved by all contractors when signing the final CPFs and the contract.

#### **Consortium resources**

In the course of the negotiations, the Commission seeks to be assured that the project participants do indeed have the necessary financial and human resources, as and when required, to carry out the proposed work. If the Commission cannot obtain reasonable guarantees on these points, it is possible that no contract will be offered or that a change in consortium will be necessary.

#### **3.1. First negotiation round**

##### **3.1.1. Agreement on technical issues**

The purpose of the technical negotiations is to identify and solve any problems with respect to the draft of Annex I that the consortium has prepared and sent in advance. The Commission Project Officer will indicate changes or improvements which are required, the consortium will explore how this could be accommodated in their workplan, and the Commission Project Officer will give a reaction to their suggestions in the first meeting.

##### **3.1.2. Agreement on financial issues / budget**

The financial negotiations will focus mainly on reaching agreement on budgetary matters i.e. on the budget for the full duration of the project as set out in the CPFs.

At the end of this round of the negotiations, agreement should be reached on the contents of Annex I and the associated budget and the consortium should be in a position to prepare and send a final version for review by the PO.

It is possible that this round of negotiations is carried out in writing without a meeting.

<sup>7</sup> To be decided by the Commission Project Officer

<sup>8</sup> In an emergency he/she may send a deputy

**Additional Financial Support  
- ‘BONUS’ from the STRUCTURAL FUNDS) –  
possible for successful FP6 contractors established in Objective 1 Regions**

The Decision of the European Parliament and the Council concerning the 6<sup>th</sup> Framework Programme (FP6) stipulates that certain contractors (legal entities established in Objective 1 Regions) participating in FP6 projects may receive an **additional financial support from the Community via the structural funds** (hereafter referred to as "bonus") to reduce the level of their own financial contribution to the FP6 project.

In any case this bonus cannot duplicate FP6 funding and cannot lead to a profit. The provisions of the FP6 model contract consider this **complementary funding to be a “receipt”** and therefore - if received - it must be declared in the appropriate “Financial Statement Form” (Form C) as such.

**Coordinators must inform the other members of the consortium about this possibility.** The potentially eligible contractors should start to explore this possibility so that if the negotiation is concluded successfully, the eligible contractors for the bonus can hand in their application to their competent Structural Funds managing authority (specific bodies in the Member States entrusted with the task of managing Structural Funds programmes) without delay.

Further useful information on how to check the ‘Bonus’ eligibility of a given contractor and how to apply for the bonus are available in Appendix 5 of this document, full details are available at <http://www.cordis.lu/era/regions.htm> .

### **3.2. Second negotiation round**

During this round of the negotiations all other major contractual (technical, legal, administrative and financial) issues should be resolved, including the provision of an acceptable project timetable and a set of deliverables which reflect the work in the project.

### **3.3. Final submission**

When final agreement has been reached, the consortium should provide to the Commission Project Officer for the purposes of contract preparation two unbound copies of the final Annex I, one unbound copy of the final CPFs, on white paper, with original signatures, and also an electronic version of each.

Throughout negotiations, the proposers and the Commission Project Officer will be in contact by phone, fax or email, to ensure the proper preparation for the face-to-face meeting(s) and to answer any questions, which may arise. A negotiation checklist is appended to this document, to assist proposers’ preparations for the negotiation process (Appendix 3).

### **3.4. Contract signature**

When agreement has been reached on Annex I, all necessary information required by the CPFs has been received, and the Commission has validated it, Commission services will draw up a contract which is sent for signature to the co-ordinator in two copies.

The co-ordinator signs the two copies of the contract and returns them to the Commission. The Commission signs these copies, once all its internal procedures have been completed, and returns one to the co-ordinator. The contract enters into force on the date of signature of the contract by the Commission.

At the same time the co-ordinator must distribute a copy of the contract to the other contractors, along with the Form A – the form for the other contractors to accede to the contract. Three duly completed originals of Form A are signed by each contractor and returned to the co-ordinator for the coordinator's signature. When the co-ordinator has signed all the A forms he/she sends one original of the A Forms to each contractor and one original to the Commission, keeping one for his/her records.

The Commission contract is for the project as a whole, for which all contractors are collectively responsible (i.e. the Commission does not make separate contracts with the individual members of a consortium). This has a number of important consequences:

- All the other contractors must sign the Form A to accede to the contract
- If one potential contractor fails to accede to the contract, it is up to those contractors who have signed the contract to propose a solution to the Commission; either by reallocating the work of the missing contractor among them the accession to the contract of a new contractor. The Commission may terminate the contract if it considers that due to this change the project is no longer viable or has been fundamentally changed compared to the negotiated proposal.
- If a contractor subsequently withdraws from the contract, the others remain responsible for the completion of the work, including the part allotted to the withdrawn contractor.

The contract offered may be for the full duration of the foreseen work or only for part of it. In the latter case the continuation of the work will be subject to a new competitive call for proposals issued by the Commission.

**In the course of your meetings, the Commission Project Officer will discuss with you many of the important terms and conditions of your contract. He/she cannot however mention them all. Review the offered contract thoroughly including the annexes. You are bound by what you sign.**

### **3.5. Start of project and contract validity**

When the coordinator returns the signed contract, the responsible Commission official signs the contract. The contract will then come into force. However, relevant provisions of the contract will determine the start date of the project. This may be the first day of the month following entry into force of the contract, or a specific fixed date, as negotiated.

Costs can be incurred on the project from the start date of the project but not before. However, where this date is prior to the contract coming into force, future contractors take the risk that the contract may not be signed in which case these costs will not be reimbursed by the Community. Also in such cases, any costs relating to the negotiation of the contract are not eligible for reimbursement under the project.

### **3.6. Pre-Financing (Advance payments)**

Once the contract is in force, the Commission services can start processing the pre-financing (advance payment) in accordance with the conditions stated in Article 8 of the contract. The coordinator can distribute the Community financial contribution to the other contractors only after the minimum number of participants has acceded to the contract and then only to those contractors that have signed Form A and acceded to the contract. In certain contracts, the Commission may retain the pre-financing until the minimum number of participants have acceded to the contract or

until all contractors have acceded. This will be discussed during negotiations and indicated in the contract.

### **3.7. Frequently asked questions**

A list of frequently asked questions (FAQ) is appended to this document. A regularly updated list of FAQs on participation and contract issues is available 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) .

You should consult this periodically, as this will assist you in your negotiations.

## 4. Contract Preparation Forms (CPF)

### 4.1. Completion of CPFs

The Contract Preparation Forms are available in PDF or Word format and also in electronic format in an application known as “CPF-Editor”.

These are obtainable at <http://www.cordis.lu/fp6/contract-prep.htm> The CPFs are supplied with a full set of explanatory notes.

The forms should be completed by **all** participants as described in the notes to the forms, even participants not being funded by the European Commission, since the Commission must assess the capacities of all participants to assure the success of the project.

The CPFs have sections for each individual participant, and also a section to be completed by the coordinator for the project as a whole.

**Estimation of costs:** The CPFs require the proposers to estimate essential details of costs over the lifetime of the project in order for the Commission to establish the maximum Community financial contribution to the project and to calculate the pre-financing. It should be noted that interim and final payments are never based on estimates, but on the eligible costs actually incurred.

While the consortium may submit its CPFs on paper, use of the CPF-editor if available is highly recommended. It allows the coordinator to establish a complete set of CPF forms for all contractors in the project. It is then possible to generate copies for each participant, who can complete these electronically and return the resulting forms to the coordinator. The coordinator can then complete the exercise by importing the completed forms received from the participants into the master form, where the resulting summaries are generated automatically.

A first draft of the CPFs must be completed and supplied to the Commission Project Officer before the first negotiation round or meeting. After the negotiations have been successfully completed, the final agreed version of the CPFs should be submitted to the Project Officer, as mentioned above, in one unbound copy on white paper with original signatures, **and** in electronic format using either the Word version or (preferably) the CPF-editor application. Any required supporting documentation should always be provided in two copies.

### 4.2. Function of CPFs

Information in the participants’ forms (with the relevant annexes) will be used to verify essentially their legal and for some participants their financial status. The banking information form will provide the information on the coordinator’s bank account to be included in the contract. Certain details, principally from forms A1 and A2, will be used to generate a Project Fact Sheet (see section 5.1 below). The A3 budget forms will be included as part of the Annex I to the contract (refer to comments on chapter 8. of Annex I). The form “Project Summary” will be included in the Annex I to the contract.

The CPFs, although not a formally binding part of the contract, will be used as a base of reference when receiving financial statements during the lifetime of the project. Also the legal and other information regarding the contractors is the basis for establishing the contract. It is therefore important that the information in the forms is as precise as possible. Furthermore, please note that the CPFs include a certified declaration to be signed by a person authorised to sign the contract and commit the organisation (see Form A2c).

## 5. Annex I “Description of Work”

### 5.1. Overview

Annex I for a **Specific Targeted Research or Innovation Project** contains the following main elements: a) the objectives of the project and expected impact; the detailed workplan for its whole duration; a description of the role of the participants; a description of the deliverables; ethical provisions; a description of the organisational and management structure, the plan for using and disseminating knowledge; b) a project resources and budget overview.

The detailed workplan should also include a description of the methodology and strategy how the expected results will be achieved and assessed.

The Description of Work and the goals should be sufficiently detailed and precise so that it becomes possible to see what is being achieved as the project progresses, and to assess in the end whether the project has been successful or not. Goals and achievements must be susceptible to review and assessment. The box below gives guidelines for this.

#### **Six steps for building review and assessment into the Description of Work**

1. Identify the project’s goals in terms of the six key criteria used by the Commission for proposal evaluation and Project Review:
  - Relevance to the objectives of the Programme
  - Potential Impact
  - Scientific and technological excellence in research and innovation.
  - Quality of the consortium
  - Quality of the management
  - Mobilisation of resources.
2. Translate the goal into a project objective:
3. Translate the objectives into operational goals and identify the means to achieve them.
4. Describe the baseline data against which the project will measure its progress.
5. Describe what measure of ‘success’ you will use
6. Make it happen by:
  - allocating a **specific work package to review and assessment**<sup>9</sup> (by the participants) of project results and progress towards the objectives. This work package should have appropriate resources allocated to it (guideline: up to 5% of total project resources).
  - and describing how the output of the on-going assessment will feed into the project management, as assessment is only useful when it informs management in a timely fashion.

### 5.2. Structure of Annex I

The contents of Annex I is based on information from Part B of the Proposal submitted to the Call for Proposals, with any necessary changes arising from the evaluation and agreed in the negotiation phase, and updating to take into account any significant developments that may have taken place since the submission of the proposal.

- All pages must be numbered.
- Each page should be headed with the project acronym, proposal number<sup>10</sup> and drafting date.

<sup>9</sup> or assessment and evaluation elements may be explicitly included in the project-specific work packages

<sup>10</sup> This normally becomes also the contract number

**Title page**

A template for the title page is appended (Appendix 1). The sections “Contract no.” “Related to other Contract no.” and “Start date of project” will be completed by the Commission. Do not change the acronym used at proposal submission unless agreed during the negotiations with the Commission Project Officer.

**Contents page**

A template for the 'Table of Contents' page is appended (Appendix 1).

**1. Project summary**

Project abstract (copied from form A1 of the CPFs)

**2. Project objective(s)**

This section should describe the objectives of the project in a **measurable** and **verifiable** form. Objectives should be specific and timed (e.g. by which date/milestone the objectives will be achieved). Follow the guidelines of the “Six steps” in the box above. The progress of the project work will be measured against these criteria in later reviews and assessments. The material should be based on section B.1 of the original proposal.

**3. Participant list**

A table listing participant name, short name, country, status, date of entry to contract, date of exit from contract. A template for this table is appended (Appendix 1).

**4. Relevance to the objectives of the specific programme and/or thematic priority**

This section describes how the project will contribute to the objectives of the specific programme and/or thematic priority.

This section should also describe the state of the art in the area of research of the project, and clearly specify the advances of the state of the art the project aims to achieve. The material should be based on section B.2 of the original proposal.

**5. Potential Impact**

Describe the strategic impact of the project, for example in reinforcing competitiveness or on solving societal problems or addressing specific problems. Describe the innovation-related activities. Describe the exploitation/further research and/or dissemination plans that are foreseen to ensure use of the project results. Describe how the consortium will spread awareness and information about the project and its results beyond the research community with the public as a whole (as required by Article II.10.3 of Annex II to the contract). Describe the added value in carrying out the work at a European level. Indicate what account is taken of other national or international research activities. The material should be based on section B.3 of the original proposal

If applicable this section should also include:

**5.1 Contributions to standards:** Describe contributions to national or international standards, which may be made by the project, if any.

**5.2 Contribution to policy developments:** Describe any significant impact the project may have on research or research-based policy development at regional, national or European level and how. If relevant, describe the policy process in which the project is embedded.

**5.3 Risk assessment and related communication strategy:** Describe the potential risks for society/citizens associated with the project (if any) and the communication strategy adopted in this regard.

## **6. Project management and exploitation/dissemination plans**

This section describes the overall project management as well as the exploitation/dissemination planning for target audiences within and outside the research communities. This is based on sections B.3 and B.5 of the original proposal.

**6.1 Project management:** This section describes the project's organisational structure and decision-making mechanisms. It describes how the project management will enable the project to achieve its goals, and that there is a plan for the management of knowledge, other intellectual property and of other innovation-related activities arising in the project.

**6.2 Plan for using and disseminating knowledge:** This plan should cover the plans for management of knowledge and intellectual property and a description of the use of results (further research or exploitation), and a plan for disseminating knowledge beyond the consortium during the lifetime of the project and afterwards.

### **6.3 Raising public participation and awareness:**

Describe the actions and activities foreseen to engage with actors beyond the research community and the public as a whole to help spread awareness and to explore the wider societal implications of the proposed work. If relevant, set out synergies with education at all levels (this subsection is based on section B.7.2 of the proposal.). The objective is to complement dissemination activities for the purpose of promoting the exploitation of research results with activities aimed at a non-specialised general audience, to provide information on the nature of the activities carried out during the project and the benefits to society.

An information document will be made available by the Commission to all contractors highlighting the resources available in the Commission for media and information activities, including participation in the annual European Science Week.

## **7. Detailed Implementation Plan – for full duration of the project**

This section describes the scientific and technical (S&T) approach and provides in detail the work planned to achieve the objectives of the project for the full duration of the project. The description is based on section B.6 of the proposal but with more details.

An introduction should explain the structure of the workplan and how the plan will lead the participants to achieve the objectives aimed for by that time. It should also identify significant risks, and contingency plans for these.

The plan must be broken down according to the following three types of activities:

- (i) Research, technological development and innovation related activities,
- (ii) Demonstration activities, and
- (iii) Management of the Consortium activities.

For each activity the plan must be broken down into work packages (WPs) which should follow the logical phases of the project during its full duration. Each work package must be linked to one (and only one) of the above activity types and must include a specific work package for management of

the project, and assessment of progress and project results. The planning should be sufficiently detailed to justify the proposed effort and allow progress monitoring by the Commission.

The essential elements of the workplan are:

### **7.1 Introduction - general description and milestones**

The general introduction should describe the general structure of the workplan, and explain how the workplan will lead the participants to achieve the objectives of the project; it should also clearly identify and describe the major milestones during the course of the project.

For the timing of the milestones it is recommended, if possible and appropriate, to align them with the contractually defined periodic reviews of the project. Each milestone should be described in terms of expected results and achievements, ideally with a brief description of what will be 'delivered'.

### **7.2 Planning and timetable**

Include a graphic representation e.g. GANTT chart or similar of the planning, resources and timing of the work packages for the whole duration of the project. Timing should be relative, expressed in months (e.g. project month 3, project month 17 etc.). Month 1 is the operative start date of your contract.

### **7.3 Graphical presentation of work packages**

Include a graphic representation of the work packages and/or tasks showing their interdependencies e.g. PERT chart or similar.

### **7.4 Work package list**

The project effort should be divided into a number of discrete elements or “work packages”. The number of work packages should be appropriate for the complexity of work and the overall value of the project. Each work package must relate to a specific activity type as described above. Large, long-duration work packages make the job of monitoring technical progress difficult - they should be avoided.

For the work package list, use the form, which was made for proposal submission. A template for this list is appended (Appendix 1).

### **7.5 Deliverables list**

Tabular listing of deliverables indicating deliverable number, deliverable title, work package reference number, participant leading production of deliverable, estimated number of person-months attributed to the production of the deliverable, nature of deliverable, security rating of deliverable, date to be delivered to Commission.

This is an extended version of the form that was made for proposal submission. A template for this table is appended (see Appendix 1).

Each significant element of the project should conclude with a “deliverable” which is the concrete output and evidence of the work. Lengthy or complex work packages may require the production of several deliverables over the duration of the work package.

A deliverable may be a report, or an action such as the construction of a prototype, the holding of a conference or demonstration, the publication of a book, the completion of a specification etc. Where a deliverable is not a report, but is instead some form of action, nonetheless some written reporting is helpful to act as a record of the work (e.g. for a conference, a collection of papers presented; for a demonstrator, photographs and a brief technical description etc.).

All reports are sent to the Commission via the coordinator, under the responsibility of the consortium, which must exercise a quality control function. As deliverables provide to the Commission valuable information on the progress of the work, a regular schedule should be planned (i.e. no lengthy gaps). As the Sixth Framework Programme is publicly funded, a reasonable number of non-confidential deliverables suitable for publication should be foreseen. Do not include in the list the periodic management reports, which the Commission requires, since these are standard for all projects and may include confidential information. A non-confidential summary of such reports could be included in the list of publishable reports.

A review of your proposed deliverables list will be one of the key elements of the negotiation (further details on optional and mandatory deliverables are given in Appendix 2 of this document).

### **7.6 Work package descriptions**

Each work package should be a major sub-division of the proposed project and should also have a verifiable end-point (normally a deliverable or an important milestone in the overall project).

Make one description per work package. Be precise, quantified, clear and direct in these descriptions, avoid vague and imprecise language.

Use the format, which was made for proposal submission, but slightly extended as given in Appendix 1.

## **8. Project resources and budget overview**

This section describes the project resources in the form of an overview of the efforts and also provides a description of the major cost items that are foreseen for the project. The section is based on section B.4 of the proposal.

**8.1 Efforts for the full duration of the project:** Include here the STREP/STIP Project Effort Form (template given in Appendix 1) which shows the person-months per participant associated with each activity identified in the sections above.

**8.2 Overall budget for the full duration of the project:** Include here a copy of the A3.1 and A3.2 forms from the CPF, the financial information – for the whole duration of the project.

**8.3 Management level description of resources and budget.** Describe here the resources which are needed to carry out the project (personnel, equipment, ...) for each of the contractors. The description should show that the project would mobilise the resources necessary to carry out the work both for the overall. It should show how the resources will be integrated and used to form a coherent project within the overall financial plan.

Contractors using the additional cost reporting model must indicate clearly the other own resources that they intend to contribute to the project (not the additional eligible costs that will be covered by the Community contribution) and give an approximation of the value of those resources.

## **9. Ethical issues**

If there are ethical issues associated with a project the proposers must describe how these will be dealt with in Annex I. This is based on section B.7.1 of the proposal.: this description should take full account of the recommendations the proposers have received in the Ethical review report. This

section must describe how these recommendations are implemented by the consortium. This can be either in individual work packages or in general.

**10. Other issues (optional)**

If there are EC-policy related issues or gender issues, describe how these have been taken into account. The section is based on section B.7.1 of the proposal. Any other considerations relevant to the execution of the work (e.g.. participation in clusters of research projects, cooperation agreements etc.).

### **5.3. Documents appended to Annex I**

Appended to Annex I should be:

#### **Appendix A - Consortium description**

**A.1 Participants and consortium:** Describe the participants in the project, including their role(s) in the project and the main tasks attributed to each of them. Describe how the participants collectively constitute a consortium capable of achieving the project objectives, and how they are suited and committed to the tasks assigned to them. Explain the complementarity between participants; describe the industrial/commercial involvement foreseen to ensure exploitation of the results. Show how the opportunity of involving SMEs has been addressed.

Include a short description of each of the participating organisations, on no more than one page per organisation, showing the expertise of the organisation. Short (max. ten lines) CVs (curriculum vitae) of the key persons to be involved, indicating relevant experience. If the named key persons do not in fact take part in the work, or are substituted by other persons without the knowledge of the Commission, this could be seen as contractors not fulfilling their obligations towards the technical quality of the work. This could lead to a more in-depth review of the project.

**A.2 Sub-contracting:** If any part of the work is foreseen to be sub-contracted by the participant responsible, describe the work involved and explain why a sub-contract approach has been chosen for it and how the tender will be performed.

**A.3 Third parties:** If any part of the work is foreseen to be carried out using financial resources or resources in kind provided by third parties, identify and describe these third parties, and their relation to the respective contractors.

**A.4 Funding of Third country participants:** If participants established based outside of the EU Member and Associated States or INCO target countries request funding, explain in terms of the project's objectives why such funding is necessary for these participants (describe the level of importance of their contribution to the project).

This section is based on parts of section B.4 of the original proposal.

## 6. Contract management

For the follow-up and monitoring of your project, the Commission will, if possible, appoint the same official(s) who acted as Project Officer(s) during the negotiation as Project Officer(s) for the project, so as to take advantage of the in-depth knowledge of your work gained during the negotiation phase. He/she is the project's key link to the Commission throughout the execution of the work.

Certain tasks concerning contract management, financial statements or legal matters may be handled by specialist staff within the Commission, who communicate directly with the Project Officer(s) or the coordinator.

### 6.1. Project Fact Sheet

As the FP6 programmes are publicly funded, a public database of basic information concerning the projects is maintained. Information for this database is captured principally from forms A1 and A2 of the final CPFs, forming part of a "Project Fact Sheet" of non-confidential information such as project acronym, objectives, project summary, project participants, Community funding etc. It also includes contact details for the project coordinator.

As this Project Fact Sheet is prepared by the Commission, no additional input is required from the project participants, though by arrangement with the negotiating Project Officer the project may substitute a revised version of their A1 and A2 text specifically for the Fact Sheet.

(Note: This Project Fact Sheet is distinct from the project's own optional Project Presentation described in Appendix 2).

### 6.2. Periodic Reports

According to the contract the project is divided into reporting periods (for STREP/STIPS the periodicity will be discussed and agreed during the negotiation meeting (s); however, in many cases it will be based on 12 month periods). For the contractually defined reporting periods the coordinator will be required to supply reports (e.g. Periodic Activity Reports, Periodic Management Reports, etc. in accordance with Article 7 of Annex II to the contract) for providing information about the reporting period. This reporting needs to include an overview of the activities carried out in the period, a description of progress towards the objectives and the milestones, and deliverables foreseen, the identification of problems encountered and corrective actions taken. An updated plan for 'using and disseminating knowledge' shall be included as a separate part of the report. The mandatory periodic reports also need to include information and justification about the resources used/deployed by each contractor, linking them to the activities implemented and justifying their necessity<sup>11</sup>.

If considered necessary, the submission of supplementary reports may be required during the negotiation phase (e.g. short monthly or quarterly managerial reports needed for project monitoring purposes by the Commission).

### 6.3. Project review

Using the above-mentioned reports, and possibly also with the support of presentations made by consortium members, the Commission may conduct periodic or mid-term reviews of project

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<sup>11</sup> Guidance and instructions to assist the consortium in preparing the reports and deliverables which are to be submitted by the project coordinator on behalf of the consortium are available on CORDIS at <http://www.cordis.lu/fp6/find-doc.htm#reporting>. The 'Project reporting in FP6 - Guidance notes' also describe the procedures for the submission of the reports to the Commission and contain brief explanations of the review procedure.

progress with the assistance of independent experts. This will be used by the Commission to decide if Community financial support for the project should be continued. In the event of a negative outcome to the review, the Commission may decide to suspend the project pending corrective action or to terminate the contract.

The periodic or mid-term review may also lead the consortium or the Commission requiring changes to the workplan and/or other aspects of Annex I (to reflect evolving circumstances in the marketplace, for example). The consortium will in that case be required to submit a revised version of Annex I.

### **Continuous project monitoring**

The project coordinator should be able to supply on reasonable notice a brief report detailing the progress of the work, any problems encountered and actual expenditure (of money and manpower) versus plan.

The FP6 Thematic Priorities or a smaller/broader component of the Framework Programme may also from time to time convene meetings<sup>12</sup> for some or all of its participating projects. Relevant members of the consortium would be expected to attend.

Both of these arrangements may be formalised into a regular process of supplementary reports and concertation activity by the Priority / components of a priority concerned, and text concerning this would be incorporated as part of Annex I, as indicated above.

### **6.4. Final Reports**

Final reports should be prepared, as provided for in the model contract. In addition, a summary final report suitable for publication, covering all the work, objectives, results and conclusion, should be prepared. The reports should include sufficient information on new developments to enable third parties in the Member States and Associated States to become aware of opportunities to request a licence for the technology developed within the project. A detailed format for the Final Report will be provided before the conclusion of the project by the programme.

In case the consortium needs to provide confidential information so as to give a more complete picture of the work, this may by arrangement with the Project Officer be given in a confidential annex, or in a non-public version of the report.

### **6.5. Plan for using and disseminating knowledge**

In Annex I Specific Targeted Research or Innovation Projects must provide a Plan for using and disseminating knowledge which is to be maintained through the lifetime of the project. They must also provide with their Final Report a Final Plan for using and disseminating knowledge, which shall indicate all potential knowledge generated and further research and/or exploitation intentions, including a timetable for exploitation.

Some more details on this mandatory plan are given in Appendix 2 to these guidance notes. A detailed format for the Plan for using and disseminating knowledge will be provided at a later stage in the project management guidance notes. It will consist of certain sections in the public domain, which will permit the Commission to show the positive results and Community added-value of the work funded, while other sections will be confidential and will be treated as such by the Commission.

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<sup>12</sup> Most frequently in Brussels/Luxembourg (depending on the location from which the Thematic Priority is managed)  
*Negotiation Guidance Notes – Specific Targeted Research or Innovation Projects – Version 3, March 2005*

### **6.6. Financial Statements**

Contractors, via the coordinator, will be required to submit financial statements during the course of the work certified by an independent auditor. The frequency and format of these are defined in the contract. Against these claims the Commission will make payments.

### **6.7. Actions against fraud**

The Commission is alert to fraudulent financial statements and, in the case of shared-cost actions, for failure on the consortium's side to contribute matching funds, where and when required.

The Commission is also concerned to verify accounting practices and methods for recording resource consumption and cost, and actual technical contributions and their conformity with the Annex I "Description of Work"

These matters will be the subjects of regular checks, both in cases where suspicion is aroused and on a random basis. These checks may take any form, up to and including visits to contractors' premises and audits of their accounting systems.

## 7. Appendix 1 - Templates

### 7.1. Template: Title page

**SIXTH FRAMEWORK PROGRAMME  
PRIORITY [#]  
[PRIORITY TITLE]**



**Contract for:**

**SPECIFIC TARGETED RESEARCH OR INNOVATION PROJECT**

***Annex I - "Description of Work"***

Project acronym:

Project full title:

Proposal/Contract no.:

Related to other Contract no.: *(to be completed by Commission)*

Date of preparation of Annex I:

Operative commencement date of contract: *(to be completed by Commission)*

## **7.2. Template: Table of Contents**

**Table of Contents** *(should include page numbering)*

- 1. Project summary**
  - 2. Project objective(s)**
  - 3. Participant list**
  - 4. Relevance to the objectives of the specific programme and/or thematic priority**
  - 5. Potential Impact**
    - 5.1 Contributions to standards**
    - 5.2 Contribution to policy developments**
    - 5.3 Risk assessment and related communication strategy**
  - 6. Project management and exploitation/dissemination plans**
    - 6.1 Project management**
    - 6.2 Plan for using and disseminating knowledge**
    - 6.3 Raising public participation and awareness**
  - 7. Workplan– for whole duration of the project**
    - 7.1 Introduction - general description and milestones**
    - 7.2 Workplanning and timetable**
    - 7.3 Graphical presentation of work packages**
    - 7.4 Work package list /overview**
    - 7.5 Deliverables list**
    - 7.6 Work package descriptions**
  - 8. Project resources and budget overview**
    - 8.1 Efforts for the project (STREP/STIP Efforts Form in Appendix 1)**
    - 8.2 Overall budget for the project (Forms A3.1 & A3.2 from CPFs)**
    - 8.3 Management level description of resources and budget.**
  - 9. Ethical issues**
  - 10. Other issues (optional)**
- Appendix A - Consortium description**
- A.1 Participants and consortium**
  - A.2 Sub-contracting**
  - A.3 Third parties**
  - A.4 Funding of third country participants**

### 7.3. Template: List of Participants

<b>List of Participants</b>
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<b>Partic.R ole*</b>	<b>Partic. no.</b>	<b>Participant name</b>	<b>Participant short name</b>	<b>Country</b>	<b>Date enter project**</b>	<b>Date exit project**</b>

\*CO = Coordinator  
CR = Contractor

\*\* Normally insert “month 1 (start of project)” and “month n (end of project)”  
These columns are needed for possible later contract revisions caused by joining/leaving participants

#### 7.4. Template: Work Package List

<b>Work package list (full duration of project)</b>
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Work-package No <sup>13</sup>	Workpackage title	Lead contractor No <sup>14</sup>	Person-months <sup>15</sup>	Start month <sup>16</sup>	End month <sup>17</sup>	Deliverable No <sup>18</sup>
	<b>TOTAL</b>					

<sup>13</sup> Workpackage number: WP 1 – WP n.

<sup>14</sup> Number of the contractor leading the work in this workpackage.

<sup>15</sup> The total number of person-months allocated to each workpackage.

<sup>16</sup> Relative start date for the work in the specific workpackages, month 0 marking the start of the project, and all other start dates being relative to this start date.

<sup>17</sup> Relative end date, month 0 marking the start of the project, and all ends dates being relative to this start date.

<sup>18</sup> Deliverable number: Number for the deliverable(s)/result(s) mentioned in the workpackage: D1 - Dn.

### 7.5. Template: Deliverables List

<b>Deliverables list</b>
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Del. no. <sup>19</sup>	Deliverable name	WP no.	Lead participant	Estimated person-months	Nature <sup>20</sup>	Dissemination level <sup>21</sup>	Delivery date <sup>22</sup> (project month)
TOTAL							

<sup>19</sup> Deliverable numbers in order of delivery dates: D1 – Dn

<sup>20</sup> Please indicate the nature of the deliverable using one of the following codes:

**R** = Report

**P** = Prototype

**D** = Demonstrator

**O** = Other

<sup>21</sup> Please indicate the dissemination level using one of the following codes:

**PU** = Public

**PP** = Restricted to other programme participants (including the Commission Services).

**RE** = Restricted to a group specified by the consortium (including the Commission Services).

**CO** = Confidential, only for members of the consortium (including the Commission Services).

<sup>22</sup> Month in which the deliverables will be available. Month 1 marking the start of the project, and all delivery dates being relative to this start date.

**7.6. Template: STREP/STIP Effort Form - Full duration of project**

**STREP/STIP Effort Form - Full duration of project**

Project number (acronym): .....

<i>STREP/STIP Activity type</i>	Participant 1 short name	Participant 2 short name	Participant 3 short name	Participant 4 short name	Participant 5 short name	Etc.	TOTAL ACTIVITIES
<b>RTD/Innovation activities</b>							
WP name							
WP name							
WP name							
Etc							
Total research							
<b>Demonstration activities</b>							
WP name							
WP name							
Etc							
Total demonstration							
<b>Consortium management activities</b>							
WP name							
WP name							
Etc							
Total consort. management							
<b>TOTAL per Participant</b>							
<b>Overall TOTAL EFFORTS</b>							

### 7.7. Template: Work package description

#### Work package description

<b>Work package number</b>		<b>Start date or starting event:</b>	
<b>Activity Type<sup>23</sup></b>			
<b>Participant id</b>			
<b>Person-months per participant:</b>			

<b>Objectives</b>
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<b>Description of work</b>
----------------------------

<b>Deliverables</b>
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<b>Milestones<sup>24</sup> and expected result</b>
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<sup>23</sup> For STREPs/STIPs each WP must relate to one (and only one) of the following three possible Activity Types: RTD/Innovation activities, Demonstration activities, Management activities.

<sup>24</sup> Milestones are points where major results have successfully been achieved as the basis for the next phase of work, or which serve as control points at which decisions are needed; for example concerning which of several technologies will be adopted as the basis for the next phase of the project.

## 8. Appendix 2 - Optional/mandatory Deliverables

### Optional deliverables

All projects are encouraged to include in their deliverables list a **Project Presentation**, covering the items described below.

### Compulsory deliverables (see Appendix 2)

All Specific Targeted Research or Innovation Projects are **obliged** to include in their deliverables list a **Final Plan for using and disseminating knowledge**.

It must also report on actions taken to **raise public participation and awareness**.

### 8.1. Optional deliverables

#### Project Presentation

The project should prepare and publish a brief project presentation in English (and other language versions if wished) of approximately two to three pages under the following headings:

Contract number  
 Project acronym  
 Project name  
 Priority /Priority Component (e.g. Strategic Objective, etc.)  
 Project logo (if any)

List of participants (organisation name, country)  
 Total cost (€)  
 Commission funding (€)

Project main goal(s)  
 Key issues  
 Technical approach  
 Expected achievements/impact

Coordinator contact details

The description may freely re-use material included in Annex I. It should be written in a style which is accessible to the non-specialist, avoiding technical language, mathematical formulae and acronyms as much as possible. The inclusion of photos, diagrams and other illustrative material is welcome. The text should always clearly indicate that the work takes place with the financial support of the European Community and identify the specific research programme.

Publication should be via the World Wide Web, additional media may be agreed with the Project Officer. The project should be able to supply a reasonable quantity of printed material for distribution by the Commission if requested.

The deliverable should normally be foreseen between project months 3-6.

**This optional deliverable is distinct from the basic Project Fact Sheet, which the Commission will prepare for all projects based on data from the Contract Preparation Forms.**

Note that Article 12 of the general conditions (Annex II) of the contract - and equivalent articles for other types of contract - sets out the general rules concerning publicity and communications concerning a project which must be adhered to.

## ***8.2. Obligatory deliverables for Specific Targeted Research or Innovation Projects***

### **Final Plan for using and disseminating knowledge**

The Plan for using and disseminating knowledge is maintained through the lifetime of the project. Updates of the initial plan shall be included as separate part of the periodic activity reports. The Final Plan for using and disseminating knowledge will describe the participants' actual achievements in dissemination and their plans at that time for the exploitation of their results - for the consortium as a whole, or for individual participants or groups of participants. It will where appropriate refer back to the interim versions of the Plan for using and disseminating knowledge, indicating how the foreseen activities actually took place, or were modified in the light of circumstances, or where indeed other actions and measures, initially unplanned, were introduced.<sup>25</sup> It should be expressed as much as possible in concrete terms, for example the dissemination strategies, the target groups and the strategic impact of the project in terms of improvement of competitiveness or creation of market opportunities for the participants.

The production of the Plan for using and disseminating knowledge forms an important part of the project work and it will be examined closely by the Project Officer. If he/she is not satisfied that the consortium has developed adequate plans to disseminate the results of their work, and has (even if only in broad outline at this point) concrete plans for exploitation of products, services, innovations etc. which the project is developing and/or future research possibilities relating to the results, he/she will initiate a strategic review which could lead to the early termination of the project.

### **Report on raising public participation and awareness**

Projects have to demonstrate the extent to which actors beyond the research community have been involved to help spread awareness and to explore the wider societal implications of the proposed work.

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<sup>25</sup> A detailed structure for the 'Final Plan for using and disseminating knowledge' will be supplied by the Commission.

## 9. Appendix 3 – Negotiation of ethical issues

### General introduction

If there are ethical issues associated with a project the proposers must describe how these will be dealt with in Annex I.

Ethical issues are to be addressed by project proposals that involve experimentation with humans (including clinical trials), human tissue, the collection or processing of personal information, experimentation with animals, genetic information etc. (see “crucial information for proposers” on [http://europa.eu.int/comm/research/sciencesociety/ethics/ethics\\_en.html](http://europa.eu.int/comm/research/sciencesociety/ethics/ethics_en.html)). Project proposals with serious ethical issues together with those that did not address ethical issues adequately, will have been identified by the scientific evaluation as needing additional attention by an ethical review panel.

If a project has been subject to ethical review, contract negotiation can not be concluded without taking full account of the ethical review report which should also form part of the technical annex to the contract.

Ethical review within FP6 has two important functions:

1. To ensure that the EU can be confident that it is not funding any research that is ethically unsound.
2. To continually raise awareness amongst researchers of ethical issues that may be raised by their research and enable them to adequately address these. This is particularly important for new and developing areas of research and technology (Genomics, IT and Nanotechnology for example), which previously may have had little need to address ethical issues in research projects but where new developments are leading to innovative research in areas where ethical considerations become important.

Normally ethical review will have been carried out and the Ethical Review Report (ERR) will be available by the time contract negotiations begin. However, for some proposals requiring ethical review this may not be the case. In this event the co-ordinator should be informed that an ethical review is still in progress and that the outcome of the ethical review will need to be taken into account and may change or may add to the final result of the scientific evaluation.

If the proposal contravenes the fundamental ethical rules of FP6 and this is unable to be resolved, the project may be stopped at any point in the evaluation/negotiation process<sup>26</sup>.

### Management

Where ethical issues are addressed by the project proposal, appropriate management of these issues should be guaranteed in the overall project management. This can be done in different ways, such as by involving one or more ethicist in the management board, by creating a separate management board for the ethical issues, by adding a work package to analyse in

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<sup>26</sup> REGULATION (EC) No 2321/2002 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 December 2002 concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for, the implementation of the European Community Sixth Framework Programme (2002-2006), article 10, 5.

depth the important ethical issues involved or by working on an ethical impact assessment of the project. Sometime it might be advisable to choose a mixture of these measures.

### **Reporting**

The annual report should devote a section to describing the handling of the ethical aspects of the project.

### **The Ethical Review Report in Contract Negotiation**

The ethical review report has four elements that have to be taken into account in the negotiation of Annex I.

#### **Requirements**

These conditions have been identified as necessary in order to fulfil FP6 ethical rules. The requirements will refer to the individual WPs in which they must be incorporated. Annex I must demonstrate that these conditions have been accepted and are followed by the consortium.

Where additional information is required such as the approval of a national authority or a local ethics committee, the co-ordinator has to certify that this has been received before the start of the related research activities.

If other requirements have been identified the annual report will have to report on these issues.

#### **Recommendations**

Recommendations from the ER panel for improving the ethical soundness of the project should be subject to the negotiation process.

#### **Reporting Obligations**

Identifies any further information required to confirm or clarify the handling of ethical aspects of the research and issues to be followed in the annual reports.

#### **Follow Up**

Identification of any aspects of the project where ethical issues may need to be considered or reconsidered at a later stage.

## 10. Appendix 4 - Subcontracting in FP6

### What subcontracting may be carried out under FP6 projects and when?

The EC model contract indicates that “*Contractors* shall ensure that the work to be performed, as identified in Annex I, can be carried out by them. However, where it is necessary to subcontract certain elements of the work to be carried out, this should be clearly identified in Annex I.

**During the implementation of the *project*, contractors may subcontract other minor services, 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*”. Project management is always a core element of the project and may not be the subject of a subcontract (except for minor administrative aspects and audit certificates). Coordination tasks of the coordinator are also core tasks and cannot be subcontracted.

For tasks to be identified in Annex I of the EC contract it is the work to be performed by a subcontractor, not the subcontractor that has to be identified in Annex I except where the subcontractors have already been identified following the procedures described below.

If the tasks to be subcontracted meet the requirements (i.e. minor services that are not core elements but necessary to carry out the project work, which cannot be directly assumed by the contractor) then the tasks can be subcontracted. The monetary value of the services is normally not sufficient to determine whether these conditions are met. As a general rule, subcontracting does not occur between contractors.

### What are the conditions under which subcontracting may be carried out under FP6 projects?

Article II.6.2 of Annex II to the model contract requires contractors to ensure that transparent bidding procedures are used before selecting a subcontractor.

“Any subcontract, the costs of which are to be claimed as an eligible cost, must be awarded to the bid offering best value for money (best price-quality ratio), under conditions of transparency and equal treatment.”

However, this does not mean that a full tendering procedure has to be launched for every subcontract<sup>27</sup>. Many companies have framework agreements with a subcontractor to carry out

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<sup>27</sup> **For public entities**, the award procedure must comply with any national legislation applicable to them. For subcontracts exceeding certain amounts, the Directive on public procurement of services applies and the publication of a call for tenders is mandatory. For subcontracts below those thresholds, the contractor should follow internal procedures, assuming that they comply with the terms of the EC contract.

**Private legal entities** follow their internal rules which they apply for the normal selection of procurement contracts (typically a minimum of three offers). The publication of a call for tenders is normally not necessary for private legal entities.

At the request of the Commission and especially in the event of an audit, contractors must be able to demonstrate that they have respected the conditions of transparency and equal treatment in selecting a subcontractor. The selection criteria must be based on the best value for money given the quality of the service proposed (best price-quality ratio).

routine and repetitive tasks. Usually these framework agreements have been established on the basis of competitive tendering principles, therefore individual subcontracts can be entered into in the context of these agreements to carry out tasks necessary for implementing the EC project. Public entities must follow the procurement principles established by their national authorities. Also subcontracting cannot be used to avoid the rules for participation (ie to provide financing to a legal entity that would not otherwise have been eligible for funding under the Framework Programme).

**What other conditions does the contractor have to meet when subcontracting?**

The contractor remains responsible for all its rights and obligations under the EC contract, also for the tasks carried out by a subcontractor. The contractor must ensure that the intellectual property that may be generated by a subcontractor reverts to the contractor so that it can meet its obligations under the EC contract. In addition, the EC contract requires that the contractor impose a certain number of conditions in its subcontract with the subcontractor, these include aspects relating to audits by the Commission and the Court of Auditors etc.

**What rights and obligations does a subcontractor have?**

A subcontractor is paid in full for its contribution made to a project by the contractor with whom it has a subcontract. The work that a subcontractor carries out under the project belongs to the contractor in the EC contract. A subcontractor has no rights or obligations vis-à-vis the Commission or the other contractors to the EC contract as it is a third party. However, as mentioned above, the contractor must ensure that the subcontractor can be audited by the Commission or the Court of Auditors.

Is a freelance expert a subcontractor or a temporary employee?

The use of freelance experts either as in-house consultants or as external consultants may be considered to be subcontracts or a form of personnel costs depending on the terms and conditions of the agreement between the expert and the contractor.

**Subcontracting vs. third party resources**

Where there is a direct contract between “A” and “B” that involves provision of a service at a price (usually including profit and based on the required subcontracting provisions of the contract) this will be considered as a subcontract. Where B provides a contribution to A to perform work under the project based on a prior agreement and at cost (i.e. without profit) this could be considered to be the contribution of a third party resource. Such third party resources may be considered to be eligible costs of the project in certain circumstances.

**Subcontracting vs. durable equipment / consumables**

Sometimes the purchase of equipment or consumables is associated with the provision of a service. Depending on the nature of the services provided, they may be considered subcontracts or part of the equipment purchase. If the service is part of the "package" of equipment purchase then it will be considered to be part of the equipment purchase.

Subcontracting can also include the costs of services that are not provided by the contractor itself, such as renting a room for a conference, catering for a conference, printing conference materials, etc.

### **Subcontracting audit certificates**

The cost of providing audit certificates is a form of subcontract between the contractor and its normal external auditor (public bodies using competent public auditors within their own organisation are not subcontracting). However, because the external auditor normally will have been chosen by transparent means the provisions of the EC contract (Article II.6) will have been fulfilled.

The cost of certification may be charged as an eligible cost under the management of the consortium activity even if it may be subcontracted to an external body. VAT charged by the auditor is not an eligible cost.

An audit certificate for the subcontractor's costs is not needed. The contractor has to ensure that costs of the subcontractor are included with all its other costs. These will be covered by the contractor's audit certificate. The audit certificate will only certify that the amount paid by the contractor to the subcontractor (i.e. the price) is correct and according to the invoice.

## 11. Appendix 5 – Possible “BONUS” from Structural Funds for certain contractors

The Decision of the European Parliament and the Council concerning FP6 stipulates that certain contractors (legal entities established in Objective 1 Regions) participating in FP6 projects may receive an additional financial contribution from the Community via the structural funds (hereafter referred to as "bonus") to reduce the level of their own financial contribution to the FP6 project. In any case this bonus cannot duplicate FP6 funding and cannot lead to a profit.

Therefore, if the legal entity is established in an Objective 1 Region, it can start to explore the Bonus possibility already at the stage of the preparation and submission of the proposal. However, in all cases the potential eligible participant has to possess the resources either own or from third parties to carry out its tasks under the FP6 project. Therefore, when calculating the total costs of the project and when filling in the CPF A3.1, in particular the EC requested contribution and the receipts, the bonus shall be taken into account. The potential participant takes the risk of declaring the Bonus as a receipt, and finally not be granted. In this later case, it will have to look for other sources or provide the necessary amount from its own resources. This issue shall be paid special attention during the negotiation phase.

In no case their participation can be subject to the granting of this additional Community contribution, since this is a decision of the competent managing authority of the region where the potential contractor is established. It is recommendable that this potential participant from a Region Objective 1 check the ‘Bonus’ eligibility criteria at <http://www.cordis.lu/era/regions.htm>.

In brief, these are the steps to follow:

### **First step**

The potential eligible participant should check whether it is established in a Region Objective 1 (Participant can only be from a Member State); please consult the list of the Objective 1 regions and areas receiving Objective 1 transitional support<sup>28</sup> in the relevant Community legislation<sup>29</sup>:

(i) COMMISSION DECISION of 1 July 1999 drawing up the list of regions covered by Objective 1 of the Structural Funds for the period 2000 to 2006 (notified under document number C(1999) 1770 (1999/502/EC) - available at [http://europa.eu.int/comm/regional\\_policy/sources/docoffic/pdf/objectif1/obj1\\_en.pdf](http://europa.eu.int/comm/regional_policy/sources/docoffic/pdf/objectif1/obj1_en.pdf), and

(ii) the ACT concerning the conditions of accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic and the adjustments to the Treaties on which the European

<sup>28</sup> For an overview refer to [http://europa.eu.int/comm/regional\\_policy/objective1/regions\\_en.htm](http://europa.eu.int/comm/regional_policy/objective1/regions_en.htm) ;

<sup>29</sup> For the relevant Community legislation documents in different languages refer to [http://europa.eu.int/comm/regional\\_policy/sources/docoffic/official/decj\\_en.htm](http://europa.eu.int/comm/regional_policy/sources/docoffic/official/decj_en.htm)

Union is founded; Annex II: List referred to in Article 20 of the Act of Accession, chapter 15 (Regional policy and coordination of structural instruments), p.658 - available at [http://europa.eu.int/comm/regional\\_policy/sources/docoffic/pdf/obj1/addendum2003\\_en.pdf](http://europa.eu.int/comm/regional_policy/sources/docoffic/pdf/obj1/addendum2003_en.pdf).

### **Second step**

The potential eligible participant should check whether it is eligible for the bonus or not (a self-check against the eligibility criteria could be carried out with the help of the "questionnaire" available via <http://www.cordis.lu/era/regions.htm>).

### **Third step:**

If the proposal is selected, and the potential contractor is eligible for the bonus, it shall contact the competent managing authority even if the negotiations have not began or not concluded yet.

Further information is available at:

[http://europa.eu.int/comm/regional\\_policy/manage/authority/authority\\_en.cfm](http://europa.eu.int/comm/regional_policy/manage/authority/authority_en.cfm)

### **Fourth step**

If the bonus is granted by the competent managing authority, it shall be declared as a 'receipt' for the project in the appropriate "Financial Statement Form" (Form C), since the provisions of the FP6 model contract consider this complementary funding as a "receipt".

## 12. Appendix 6 - Negotiation checklist

The following table is designed to ensure that all information necessary to issue a contract is discussed and delivered to the Commission Services.

Although the first negotiation meeting will mainly concentrate on the Annex I “Description of Work”, it will also touch financial and legal issues. The consortium should therefore have prepared for discussion all the issues in the checklist for the first meeting. Indeed in some cases the Commission Project Officer will indicate in advance that he/she would like to tackle both stages of discussion in a single meeting.

### CHECK LIST FOR PROJECT NEGOTIATIONS

<b><u>Prior to [first] meeting</u></b>	
Agree coordinator	
Agree other participants' roles	
(If not already done) Confirm need for subcontracting, competitive calls, etc	
Establish internal consortium agreements/contracts	
Clarify each participants' cost-basis, consistent throughout FP6 (Full cost (FC), Full cost flat rate (FCF), Additional cost (AC))	
Complete first draft of Annex I and any appendices	
Complete first draft of CPFs, including bank account information	
Collect necessary supporting information for CPFs (financial and legal information)	
Dispatch Annex I and CPFs to Commission Project Officer	

<b><u>Meeting</u></b>	
Discuss issues in draft Annex I :	
those addressed by ESR	
those indicated by 'Framework for Negotiation' and arising during meeting	
those related to individual headings in Annex I 'table of contents'	
Clarify financial/contract issues :	
Acceptability of cost-basis selected by participants	
Confirm resources that make up the counterpart funding for the project – clarify extent of participants' other involvement in FP6/other EU programmes (including those of the participants using the AC cost reporting model)	
Confirm agreement on draft CPFs :	
Proposal abstract	
Cost summaries incl. receipts	
Management costs	

Participants' direct/indirect costs	
Subcontracts	
Set date for submission of revised/final Annex I and CPFs	
[Set date and time of next meeting, if necessary]	

<b><u>Final submission</u></b>	
Submit agreed final Annex I: Two unbound copies and electronic version	
Submit agreed final CPFs: one unbound copy with original signatures and electronic version	
Submit any annexes: Two copies	

## 13. Appendix 7 - Frequently asked questions (FAQ)

Frequently Asked Questions - this section will be updated in coming editions

### Negotiations

**Project preparation/negotiation costs:** The Commission does not fund costs related to the effort expended by the proposers in preparing the proposal or conducting the negotiations even if the fixed start date of the project is prior to the date that the contract comes into force..

**Bank account:** If not already done, the coordinator should establish a Euro bank account for the project to support payment of funds.

**Withdrawing participants:** If one or more of the organisations that participated in your proposal now wishes to withdraw, the Commission will judge, in the light of the evaluators' reports, whether the withdrawn participant(s) was (were) not essential to the success of the proposed project (in which case negotiations may continue) or vital to the proposed project (in which case negotiations might be terminated and your proposal rejected, or may be suspended pending your finding an acceptable substitute). If a contractor identified in the contract to be signed does not accede to the contract the Commission may terminate the contract unless the other members of the consortium propose, and the Commission accepts, an alternative solution.

**“Hesitating” participants:** Participants who are not yet fully committed to the consortium should make up their minds quickly! A participant pulling out at the last minute could nullify all the negotiations up to that point and jeopardise the contract for everyone.

**Consortium agreements:** Where required by the call, you should give the highest possible priority to completing your internal consortium agreements before the time of contract signature. Even if only the bare essentials have been agreed, this is sufficient to start. You can always amend or add to your consortium agreement as and when necessary during the life of the project. However, you should be aware that certain provisions relating to intellectual property have to be agreed prior to signing the EC contract.

**Changes in consortium/workplan:** You may find it necessary now to propose changes in your workplan or your consortium due to changes in the market or other events which have occurred since you prepared the proposal. The Commission PO will consider these, but the evaluation result must be respected - if your revised workplan or consortium differs to the extent that the evaluation might have yielded a different result, the Commission will stop the negotiation and reject your proposal.

**Reduction of manpower effort:** The Commission funding decision was based on a certain level of manpower, either the one you requested in your proposal or alternatively one recommended by the evaluators if they did not approve your suggestion. In either case it is essentially fixed to this figure. If during the negotiations you change your manpower requirement (or any other significant cost), the Commission funding offer may change.

### Cost reporting models

**Different cost reporting models in different projects:** An organisation must use the same cost-reporting model in all FP6 indirect actions in which it is participating. Details on the nature and use of cost models and the rates of reimbursement are available in the FAQ and the Guide to financial issues and the model contract, all available on the model contract web site: [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)

## Contract

**Companies, which do not yet exist:** The Commission cannot offer a contract to an organisation, which is non-existent. Your organisation must achieve a recognised legal existence prior to contract signature. During the negotiations, its creators can represent it.

**Subcontracts:** The Commission must ensure that work subcontracted does not affect the rights of the contractor with regard to the use and dissemination of knowledge that are deemed to be the contractor's property. In addition, the Commission must ensure that work is performed at a reasonable cost and that the contractor justifies its reasons for subcontracting rather than carrying them out itself. Based on these elements, the Commission might require that a proposed subcontractor become a contractor. In addition, the need for the continued presence of a participant intending to subcontract significant parts of the work will be questioned, since it puts into question the contractor's capacity to perform the tasks required by the project.

## Contract Preparation Forms

**Swiss participation:** As of 1 January 2004 Switzerland has the status of an 'Associated State'. Therefore, Swiss participants should complete the CPFs on the basis that they will receive EU funding for projects financed under the 2004 budget or later.

## After signing the contract

**Pre-financing (advance payments):** The Commission will make an advance payment within 45 days of one of these options: entry into force of the contract, or the accession to the contract of the minimum number of contractors or the accession to the contract of all contractors. The exact provisions of your contract will be determined based on the negotiations.

**Applicable law:** The contract will be subject to Belgian or Luxembourg law. In some special cases where international organisations participate, a different law may be applicable to the contract. This will be identified in Article 9 of the contract in a special clause.

**Amendments:** The Commission will consider requests at a later stage for any reasonable amendments to the contract, which do not essentially change the character of the project. Significant changes to the technical content of the work would normally require the approval of the external experts during the periodic project review process. Amendments must be requested in writing by the coordinator on behalf of the consortium.

**Estimated project duration:** If the project finishes earlier than expected, the contract will be wound up earlier, therefore without delays to final payment to the contractors. If the contractors find the project takes longer than expected, an amendment granting a reasonable

extension in time may be given. This requires the approval of the Commission. Requests for extension should be made at least two months before the originally foreseen project end-date.