



## SUMMARY

### **Workshop on Project Reporting in FP7** *Exchanging experiences on European level*

organised by

**the European Liaison Office of the German Research Organisations (KoWi)**

in cooperation with

**Working Group of European Research Administrators at German Universities (BAK)**

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Venue: KoWi, Rue du Trône 98, 8th floor, 1050 Brussels

The first periodic reports in FP7 coming up and reporting guidelines for various schemes being published, BAK and KoWi took the opportunity to organize a workshop on project reporting. The experience from FP6 shows that despite many guidance documents issued by the European Commission project participants still face many uncertainties concerning project reporting. Thus the main aim of the workshop was to shed light on what should be included in a periodic report in FP7, in what detail it should be drafted and when amendments have to be introduced.

With over 50 participants from 11 European and two associated countries, the workshop brought together Commission representatives, experienced research administrators and project coordinators.

The workshop offered opportunities for interesting and thought-provoking discussions on all aspects of project reporting and related project management issues. The participants agreed that it was a good opportunity to exchange experiences and best practice examples with colleagues from all over Europe.

**Joanna Mastalerek (KoWi, Brussels)** underlined that since the interim payments are based on the periodic reporting, a sound reporting is of utmost importance in order to avoid late interim payments by the European Commission, in particular as the time for evaluation of the reports by the Commission is longer in FP7 (up to 105 days) than back in FP6 (45-90 days). This time limit is suspended if one or more of the reports or corresponding deliverables have not been supplied, or are not complete. Project participants should also keep in mind, that there are different reporting procedures for the different schemes: "Cooperation" projects and Marie Curie Actions, ERC and JTIs have all an own set of rules for project reporting.

A major innovation is the introduction of online tools for the set-up of the financial statements, such as FORCE (Form C Editor), which is a module of the SESAM portal (already used in FP6). All FP7 projects will have to use either FORCE or the NEF tool (used for projects in ICT) to edit their Form Cs, for the remaining FP6 projects there is the choice between the conventional Excel sheets and FORCE.

**Willy van Puymbroeck (Head of Unit, European Commission, DG Information Society, Administration & Finance unit)** explained the reporting requirements in FP7 on participant and consortium level, pointing out the new "Self declaration by the coordinator". Here the project coordinator must declare that

- the periodic report is an accurate description of the work carried out for this reporting period
- to which level the project has achieved its objectives and technical goals for the period
- the financial statements are consistent with the report on the resources used for the project

The consequences of a false declaration can be the exclusion of the coordinator from the coordination of further projects in FP7. Mr van Puymbroeck underlined that this was introduced in order to remind the coordinator of his/her role as a "filter", verifying the results of the other partners.

The workshop participants were worried that many coordinators might not be in the position to judge about the financial statements of other participants and that many coordinators would be reluctant to ask their partners for changes, in order to avoid conflicts in the consortium.

Mr van Puymbroeck presented the new WIKI on project reporting done by DG Information Society <http://212.68.215.215/display/iKnowextern/FP7+Periodic+Report> where one can find a NEF dummy.

Furthermore, Mr van Puymbroeck reminded the participants that when drafting the periodic reports it is important to keep in mind the same principles as for writing a project proposal, namely clear and precise language, well organised content, useful and understandable diagrams, references to any material used.

**Corinna Hahn (Project manager, EURICE, Saarland University, Germany)** portrayed how EURICE handles the workflow and schedule in FP7 projects as project coordinator. Ms Hahn made clear that the coordinator should give clear directions and delegate responsibilities. As best practice, she mentioned the possibility of report preparation via the project homepage and stressed the importance of a good cooperation of scientists with their administration (in order to avoid delays for obtaining a financial statement etc.).

In order to avoid having too many deliverables and to phrase them correctly, it is recommended to offer project management courses for scientists in charge (as does e.g. the University of Cambridge).

Ms Hahn expressed her surprise that DG INFSO uses NEF as a reporting tool, while all the other DGs involved in FP7 use FORCE for FP7 projects. Furthermore she showed concern about the fact that it is not possible to proceed with a reporting and an amendment at the same time in NEF.

Overall NEF looks more user-friendly, the access keys are given to coordinator and partners (with different authorisation levels. NEF can be used by more than one person at a time, which sometimes may lead to data corruption. FORCE however needs an extra registration and for the time being only allows the coordinator to have access (partners may of course use the coordinator account). In March 2009 also participants should be able to have a separate access code in FORCE.

DG INFSO seems to also have diverging rules concerning reporting periods (mostly 12 months instead of 18 in DG Research) and the submission of deliverables (expected on the dates mentioned in the Technical Annex, while DG Research seems to have a more flexible attitude towards the time of submission of deliverables).

The NEF tool was judged a little slow, but working flawlessly. The problems encountered in saving data (figures can be inserted, but cannot be saved), can be resolved when filling out all pages in NEF!

It is recommended to use the Internet Explorer instead of Mozilla Firefox. NEF cannot be used working with a MAC PC.

According to Ms Hahn the new 18-month reporting period is much appreciated by the scientists, however it means more responsibility for the coordinator and the consortium. From a managerial point of view, internal intermediate reports are necessary!

Among others, the automatic payment of interest in the case of delays caused by the Commission is seen as an improvement compared to FP6 procedures.

**Aleksander Kedra (Scientific/Technical Project Officer, European Commission, DG Research, Marie Curie Networks unit)** pointed out the particularities of project reporting in Marie Curie Networks. A reporting guide for Initial Training Networks (ITN) and Industry Academia Partnership and Pathways (IAPP) has been published in the end of January 2009. The reporting guidelines for Individual Fellowships have not been finished yet.

The main change compared to FP6 is that the reporting periods are longer now (24 months compared to 12 months in FP6), but progress reports have been introduced every 12 months, as a "lighter" version of periodic reports.

However, the report on the distribution of the Community financial contribution is now due within 30 days after reception of the final payment (while in FP6 this period counted 60 days).

Another important change is that the "70% rule" has been dropped. In FP6 this rule defined that "where less than 70% of a *pre-financing* has been used at the end of a reporting period, subsequent intermediate *pre-financing* may be paid only if an audit certificate is provided for that reporting period; or on the basis of a complementary management report referred to in Article II.7.2 b) that shall be submitted to the *Commission* once the above-mentioned spending rate has been achieved."

Unlike other FP7 schemes, Marie Curie Actions use the SESAM portal for the complete process of project reporting.

Project participants should be aware that when doing the project reporting in Marie Curie, the amounts fixed in the Work Programme of the year, when the proposal was handed in, has been used for calculation. Project managers should thus have the Work Programmes from 2007 on stock. There will also be made a reference in the Annex to the Grant Agreement to define the correct amounts to be used for the project reporting.

In contrast to other FP7 schemes, deliverables in ITNs and IAPPs are limited to recruitment of researchers and events organized.

**Anne Rouault (Policy officer, European Commission, DG Research, Universities and researchers unit)** presented for the first time in a public workshop the results of the study elaborated by the Expert Group on "Diversified funding streams for University-based research – Impact of external project-based research funding on financial management in Universities", launched in December 2007. The final report on this study has been published in mid February.

Among the main findings Ms Rouault stated that professional financial management goes together with excellent research. Financial management is a condition for informed, strategic decision-making, in an environment where universities are expected to develop long term excellent research activities in line with their strategic profile. Thus the report calls the universities to adopt full costing methodologies appropriate to their national legal requirements as a key tool for sustainable development.

The report makes clear, however, that reducing the flat-rate of 60% in FP7 cannot be the major driver for the full cost switch. The Member States should rather support universities in implementing full costing in order to meet longer-term strategic goals. The report urges Member States to work with the principal national funding agencies but also involve other research funders as the European Commission and consider drawing up Good Practice Guidelines for External Funding Terms and Conditions in consultation with universities.

The report also suggests an assessment of the current state and competitiveness of university research infrastructure (both human and physical) in individual Member States in order to identify priority areas for investment.

Commissioner Potočník is keen to have this topic high on the political agenda. Thus the report will be discussed in the context of the next Competitiveness Council on 6<sup>th</sup> March 2009 as well as in the STOA Working Group in the European Parliament and EUROHORCs.

In order to stimulate the debate at EU level with policy makers and stakeholders an ERA Conference will be held in Brussels in the autumn 2009, with the aim to draft Common Guidelines for external public research funding.

The European University Association will organize some take up activities such as workshops and staff exchange schemes to support universities in the full cost switch.

**Jorge Campos-Vallejo (Legal officer, European Commission, DG Research, Legal Matters unit)** gave insights in the main principles and novelties concerning amendments in FP7. Overall, there is much continuity with the main lines of FP6 policy.

Among the novelties is the possibility of introducing amendments electronically in NEF. However, using this procedure one still has to send a paper copy of the amendment letter and required documents by post.

Another novelty is that the coordinator can accept an amendment proposed by the Commission on behalf of the Consortium. In FP7 the Commission has also introduced the possibility of a counter

proposal to the Consortium request for amendments, which avoids resubmitting modified requests in case of refusal by the Commission.

In case of a simple change of legal name or legal status, project participants can now simply send an information letter directly to the Commission, a formal amendment process is not required anymore in such cases.

Mr Campo-Vallejo mentioned a problem with some US universities and research institutions that cannot sign contracts under European law. The Commission keeps on negotiating with the concerned US parties on this matter. In some cases a special clause referring to the possibility of arbitration under US law may resolve the problem (e.g. in case of the WHO), but in many cases the participation of US partners has to be abandoned.

**Izaskun Arenaza (Project Manager, TÜV Rheinland Consulting)** reported on her experience as a project coordinator in FP6 and FP7, enlarging upon the different cases that necessitate amendments.

In her experience, most amendments are requested by project participants during the periodic reporting and final reporting, which makes it a rather stressful exercise. According to Ms Arenaza the acceptance of amendments by the Commission takes about 3 months, since the Director of the Commission unit has to sign the amendment. That is why it is also not recommended to hand in amendments in a bulk but to specify that the amendment requests contains separate request that can be approved independently by the Commission.

As a further experience Ms Arenaza told the audience that requesting an amendment for resigning the position as a coordinator is not advisable as one will risk harming the institution's reputation and losing further appointments as coordinator. Thus this option should only be taken in account in cases where there is no other alternative.