



# Finance and budget





## 1. General funding principles

- *EC financial contribution*
- *Eligible costs*

## 2. Community contribution in ITN

- Direct costs, indirect costs
- Categories of eligible costs
  - a. Activities carried out by researchers*
  - b. Activities carried out by Beneficiaries (Hosts)*
- Non- eligible costs
- Claimed costs – Exchange rates, Subcontracting, Joint Research Unit, Events organisation, Personnel, Certificate on Financial Statements

## 3. Payments



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# 1. General Funding Principles

## EC financial contribution

- Grant Agreement: maximum EC contribution
  - Max. 40% to a single country in multipartner GAs
- Any interest generated by pre-financing and other income will be deducted from final EC contribution.
- Breakdown table in Annex I indicative
- Transfer of budget between activities and beneficiaries may be allowed, on a case-by-case basis to be verified with the Project Officer.  
However, the Marie Curie grant agreements prohibit transfers of budget from the allowances allocated for the activities carried out by the researcher to the amounts allocated for the activities carried out by the beneficiary (host).



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# 1. General Funding Principles

## Eligible Costs

- Actual
- Related to objectives of the project, consistent with principles of economy, efficiency and effectiveness
- Recorded into accounts of beneficiary
- Incurred during the duration of the project
  - Except costs related to final report, last periodic report, certificates on financial statements and final reviews (up to 60 days after the end of the project)



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## 2. Community contribution in ITN

### Direct costs:

Expenses for the activities carried out by the researchers: categories A, B, C, D

Expenses for the activities carried out by the beneficiaries: categories E, F, G

### Indirect costs:

Overheads: category H



## 2. Community contribution in ITN

Eligible expenses for the activities carried out <b>by the researchers</b>			
-A-	B	-C-	-D-
Monthly living and mobility allowance	Travel allowance	Career Exploratory allowance	Contribution to the participation expenses of eligible researchers
<p><b>1. Monthly Living allowance</b>→<i>see <a href="#">Work Programme 2007</a></i></p> <ul style="list-style-type: none"> <li>➤ <i>depending on professional experience</i></li> <li>➤ <i>rule: employment contract with full social security exception: stipend with minimal social security (short stays)</i></li> <li>➤ <i>subject to correction coefficient for cost of living</i></li> </ul> <p><b>2. Monthly mobility allowance</b></p> <ul style="list-style-type: none"> <li>➤ <i>€800/month with family</i></li> <li>➤ <i>€500/month w/o family</i></li> <li>➤ <i>subject to correction coefficient for cost of living</i></li> </ul>	<p>ranging from €250 to €2500 per started period of 12 months</p>	<p>€2000/fellow appointed for at least 1 year</p>	<ul style="list-style-type: none"> <li>➤ <i>€300/month for non-lab based projects</i></li> <li>➤ <i>€600/month for lab based projects</i></li> </ul> <p><i>e.g. meetings and conference attendance, participation in training actions, research costs</i></p>



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## 2. Community contribution in ITN

### Eligible costs – activities carried out by the researchers

- All allowances cover **gross salary** paid to the researcher plus employer social security charges
- Reference date for family situation is the date of recruitment
- Parental Leave: eligible costs = employer costs under national law (if mandatory and not refundable)

**Check with Project Officer case-by-case**



## 2. Community contribution in ITN

Eligible expenses for the activities carried out <b>by the host organisations</b>			
-E-	-F-	-G-	-H-
<p><b>Contribution to the research/training/transfer of knowledge programme expenses</b></p>	<p><b>Contribution to the organisation of international conferences, workshop and events</b></p>	<p><b>Management activities (including audit certification)</b> <b>(Real cost category)</b></p>	<p><b>Contribution to Overheads</b></p>
<p><i>€600 per researcher/month</i></p> <p><i>1. execution of the training project (publication of vacant positions, internal joint training actions, teaching material...)</i></p> <p><i>2. coordination between participants (network meeting, detachment of staff)</i></p>	<p><i>€300/researcher-day for researchers from outside the partnership for the duration of the event</i></p> <p><i>1.organisational expenses (invitation of keynote speakers, publication of vacant positions)</i></p> <p><i>2. participation fees</i></p>	<p><i>1. Max 7% for networks / Max 3% for mono-beneficiary for project as whole – not by beneficiary</i></p>	<p><i>10% of direct costs except subcontracting</i></p>





## 2. Community contribution in ITN Costs – non-eligible

- Identifiable taxes including VAT
- Duties
- Interest owed
- Provisions for future losses or charges
- Exchange losses
- Costs reimbursed in the frame of another Community project
- Debt and debt service charges
- Excessive or reckless expenditure



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## 2. Community contribution in ITN Claimed Costs – Exchange Rates

All costs must be claimed in **Euro**

Exchange Rates

- Date of actual costs incurred *or*
- First day of the month following the end of reporting period



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## 2. Community contribution in ITN Claimed Costs – Subcontracting

### Only if foreseen in Annex I

- Non-core tasks
- No coordinator's tasks
- Best value for the money, transparency and equal treatment
- External certificate on financial statement = subcontracting (must be deducted before calculation of overheads)



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## 2. Community contribution in ITN Claimed Costs – Joint Research Unit (UMR)

Pay attention to **JRU/UMRs**:

- Identified in Grant Agreement and in Annex I
- Their costs have to comply with the same rules and the principles
- Each third party fills in its costs in an individual Form C
- The beneficiary will submit both forms and a summary report integrating both costs



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## 2. Community contribution in ITN Claimed Costs – Events Organisation

- If event generated income → must be taken into account in claimed costs
- Costs can be charged in two different categories:
  - E – for researchers within the consortium
  - F – for researchers outside consortium
- Participant lists



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## 2. Community contribution in ITN Claimed Costs – Personnel costs other than those related to fellows

- ONLY for assistance in management activities (category G)
- Other personnel costs (e.g. supervision/teaching) NOT eligible costs



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## 2. Community contribution in ITN Claimed Costs – Certificate on Financial Statements

- CFS mandatory if claim  $\geq$  **375,000 €**
  - Next CFS needed when claim again  $\geq$  375,000 €
- CFS for  $<$  375,000 € not an eligible cost
- For ITNs, in most cases after 24 months and at the end (2 financial reporting periods)



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## 3. Payments

- **Prefinancing** (65% of EC contribution)
  - Only one prefinancing payment – received by coordinator within 45 days of the entry of GA into force
  - Prefinancing remains the property of the EC until final payment (also interest!)
    - Guarantee Fund*
  - Replaces other financial guarantees
  - In principle this amount will be reimbursed at the end of the action
  - 5% of the EC contribution is deducted from prefinancing
  - **Therefore, (65% - 5%) x total EC contribution = prefinancing**





## 3. Payments

- **Interim payments**
  - After approval of the periodic report
  - Calculated on the basis of the accepted eligible costs
  - EC interim payment
    - based on accepted claimed costs  
(interest earned/receipts taken into account)
- **Final payment**
  - Following approval of the final report
  - 10 %retention of total EC contribution kept by EC until final payment
  - Guarantee Fund contribution will be returned (normally 5%) to the beneficiaries via the coordinator at the moment of the final payment, at the end of the project



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## 4. Useful link

*Guidance notes for project co-ordinators on reporting and contract follow-up:*

*<http://ec.europa.eu/research/mariecurieactions/index.htm>*

*« HOW TO manage my project »*