

TURKEY
HORIZON 2020
INFORMATION MULTIPLIERS

Turkey in Horizon 2020 II
Information Multipliers

Contract Management
Understanding the Legal background of your project

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MINISTRY OF INDUSTRY
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Horizon 2020 Legal Documents

Document	When	Who
MoU: Memorandum of Understanding NDA: Non-Disclosure Agreement	Project Preparation Phase (Before submission)	Potential Partners of a consortium
CA: Consortium Agreement	Project Negotiation Phase (After successful communication from EC before GA)	Partners of a consortium
GA: Grant Agreement	Project Start	EC and Coordinator

Reference Documents:
https://ec.europa.eu/research/participants/portal/desktop/en/funding/reference_docs.html

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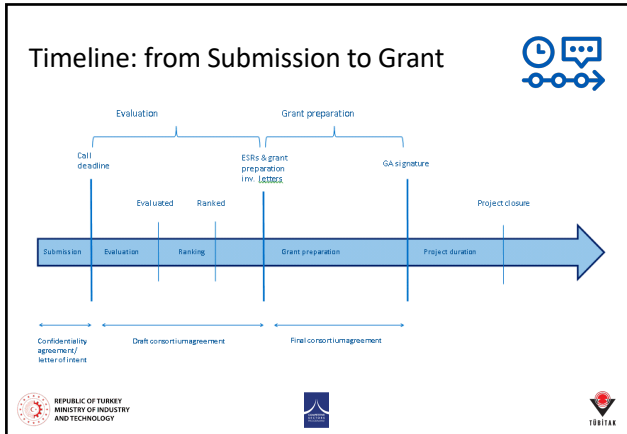
Legal Issues during Submission Phase

- Should you sign an **MoU** with other partners?
- Should you sign **NDAs**?
- Is the **Consortium Agreement** necessary in this stage?
- Consider solid Management Structures (**DoA**)
 - General Assembly
 - Steering Committee
 - PMO/Coordinator
 - External Advisory Boards
 - WP Groups / Leads

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Invitation to a Grant

- **EC validates participants** (collect legal, administrative and financial information required).
- **Clarify Description of the Action (DoA) and the budget**
- **Address Ethical Issues** (human rights, protection of human beings, animal protection, data protection and privacy, environmental protection, malevolent use of research, etc.)
- **Consortium Agreement.** Allow time for consortium to sign.
- **Verify Financial Capacity** of Coordinator.

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Grant Preparation Phase: Just before the GA

	Coordinators (incl. sole applicants)	Beneficiaries
LEAR	Validate your LEAR	
PARTICIPANT PORTAL	Assign through the system: Primary coordinator contact (PCoCo) Legal entity appointed representative (LEAR) Project Legal signatory (PLSIGN)	Assign through the system: Participant contact (PaCo) Legal entity appointed representative (LEAR) Project Legal Signatory (PLSIGN)
	PLSIGN must sign the <i>Declaration of Honour</i>	
	Check PIC Number of all	Check your PIC number
	Update Description of Action (DoA)	Check your data & updated DoA
	Provide bank account details to EC	Provide bank account details to coordinator
CONSORTIUM AGREEMENT	Prepare and distribute the Consortium Agreement Sign the Consortium Agreement	

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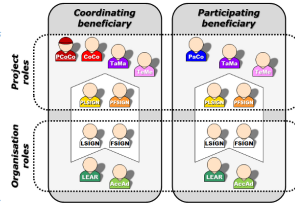
Participant Portal Roles

- Organisation Roles (whole entity)

- LEAR: Legal Entity Appointed Representative ([q&v page](#)) - EC validates
- AccAd: Accounts Administrator
- LSIGN: Legal Signatory (to sign GA and any amendments)
- FSIGN: Financial Signatory (to sign Financial Reports)

- Project Roles (project specific)

- PCoCo: Primary Coordinator Contact ([only one per project](#)) - EC validates
- PLSIGN: Project Legal Signatory
- FLSIGN: Project Financial Signatory



http://ec.europa.eu/research/participants/docs/h2020-funding-guides/management-and-roles/roles-and-access-rights_en.htm

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What is the Grant Agreement

- Contract signed between the EC and the project beneficiaries. (*Coordinator on behalf of Partners*)
- Body: *Rights and obligations of partners related to the administration of the Grant (reporting, reviews), division of roles, eligibility of costs and other legal provisions.*
- Annex I: *Description of the action, composed of the originally submitted Proposal, including the individual Work Packages and Deliverables and the Milestones of the individual Project.*
- Annex II: Estimated Budget for the action
- Annex III: Accession Forms, *a form to be signed by those Project Participants acceding to the Grant Agreement. (Annex IIIa is an adapted version for Project Participants who are not Beneficiaries of the Grant Agreement, such as Linked Third Parties, etc.)*
- Annex IV: Model financial statements
- Annex V: Model of the certificate of the financial statement
- Annex VI: Model for the certificate on the methodology

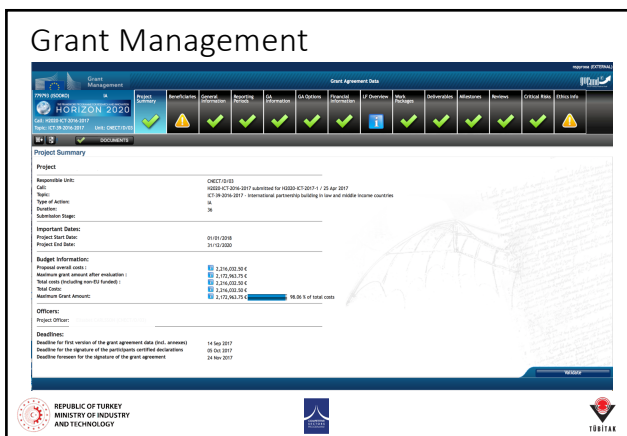
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What is the Consortium Agreement

- (Contract between ALL partners of a consortium)
- Responsibilities of Parties and Liability towards each other: *What rules partners should follow and what happens if they do not do so.*
- Governance structure: *Organisational structure, management, meetings, decision making process.*
- Financial provisions: *budget distribution, provisions for payment, approval of reports*
- Results: *Ownership of results, Intellectual Property management, dissemination*
- Access Rights: *Background, foreground and exploitation of results*
- Non-disclosure of information: *Confidentiality clauses*

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Grant Management





Model Grant Agreement Structure

Model Grant Agreement Structure

1/ GENERAL		2/ ACTION		3/ GRANT		4/ RIGHTS-OBLIGATIONS OF PARTIES	
1/ General	2/ Action 3/ Duration 4/ Budget	5/ Amount, Rates 6/ Costs	7/ IMPLEMENTING 7/ General Obligations 8/ Resources 9/ Beneficiaries (non-EU) 10/ Purchases 11/ In Kind (paid) 12/ In Kind (free) 13/ Subcontractors 14/ 3 rd Parties 15/ 3 rd Parties Financials 16/ Access to Research Infrastructure	2/ GRANT 17/ Inform 18/ Records 19/ Deliverables 20/ Reporting 21/ Payments 22/ Checks, Audits 23/ Evaluation	3/ RESULTS 23a/ IPR 3/1 BACKGROUND 24/ Agreement 25/ Access 3/2 RESULTS 26/ Ownership 27/ Protection 28/ Exploitation 29/ Dissemination 30/ Results Transfer 31/ Access Rights	4/ OTHER 32/ Recruitment 33/ Gender Equality 34/ Ethics 35/ Conflicts 36/ Confidentiality 37/ Security 38/ Viability 39/ Personal Data 40/ Claims	
5/ BENEFICIARY ROLES		6/ COST REJECTION – TERMINATION - DAMAGES					
42/ Roles & Responsibilities	7/ REJECTIONS 43/ Rejection Ineligible 43/ Grant Reduction 44/ Recovery of undue 45/ Sanctions	2/ LIABILITIES 46/ Damages	3/ SUSPENSION 47/ Payment Deadlines 48/ Payment Suspension 49/ Action Suspension 50/ Termination	4/ FORCE MAJEURE 51/ Force Majeure	5/ FINAL PROVISIONS 52/ Parties Communication 53/ GA Interpretation 54/ Periods, Dates 55/ Amendments 56/ Accession 57/ Applicable law 58/ Entry into Force		



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Articles 1 – 6: Action, Duration, Budget, Grant

- **Start Day.** Fixed. First day of the month following the date when the last party signs the GA (EC).
- **End Date** end of implementation of tasks. Reports and transfer payments + 2 months (**project closure**).
- **Estimated budget** calculated on estimated eligible costs submitted in proposal (Annexed to the GA).
- **Maximum Grant Amount** determined by above costs. Estimated costs multiplied with funding rate (70% or 100% depending on the action).
- *The Maximum Grant Amount can never be increased - even if your costs are higher.*
- Your **proposal budget** is an **estimation**. Things may change. Flexibility allowed.
- Budget categories are listed under Article 6.2.

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Articles 5 – 6: Budget, Grant and Eligibility of Costs

- **Maximum Grant** = Maximum amount that the EC can award you. Not necessarily what you will receive.
- **Final Grant** = amount you will actually receive - *calculated by the agency after end date of project (During Closure) in 4 steps:*
 - **Step 1:** Total Eligible Costs X Reimbursement Rate [70% or 100%]
 - **Step 2:** Limit to Maximum Grant Amount
 - **Step 3:** Reduction of amount if project made any profits *[no profits are allowed under EC rules]*
 - **Step 4:** Reduction there have been substantial errors, irregularities, fraud, etc. *[EC's Decision]*

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Articles 7 – 16: Implementation of the Action

- **Rights and obligations of the parties implementing the action:** compliance rules, resources, 'in kind' contributions and financial supports of third parties.
- Beneficiaries must comply with laws in BOTH their country of operation and of the country the action is implemented in.
- Beneficiaries can **purchase goods, works or services**, use **in-kind contributions** from third parties, **subcontract** some work, or use international partners or linked third parties.
Such contracts must be limited in scope since they are just supporting to the action.
- Beneficiaries using third parties remain fully responsible for them under the GA.
- **Subcontracting should be avoided in H2020.** Must be explicitly mentioned in the DoA.
If not mentioned an **Amendment is necessary.**
Subcontractors are NOT beneficiaries and therefore have no direct obligations under the GA. Moreover, their price usually contains a profit margin which is against H2020 principles.
- **PM— Coordination and administration tasks are considered action tasks and cannot be transferred.**

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Articles 17-23: Grant Administration

- **Record keeping.** obliged to implement an effective system to store and exchange information and be able to present any required data to the EC.
- **Records:** kept for 5 years after payment of the balance of the project: *Contracts, subcontracts, invoices, accounting records, timesheets and/or declarations for working full time, certificates of methodology and any other...*
- Keep **open communication with Project Officer** from the EC (PO)
Immediately inform the EC of delays, changes (*legal, financial, technical, organisational structure of consortium*)
- **Reporting and Payment requests [Article 20]**
 - **Periodic reports** - end of each reporting period (including last one)
 - **Final report** - the end of the action
- Each report: technical and financial part
- Submitted within 60 days after end of each reporting period. *Reporting periods clarified in your GA.*

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Record Keeping: Timesheets

TIME RECORDING FOR A HORIZON 2020 ACTION – Minimum requirements							
Title of the action (acronym):				Grant Agreement No.:			
Beneficiary's / linked third party's name:							
Name of the person working on the action:				Type of personnel (technical assistance):			
Month	(Month / Year)	(Month / Year)	(Month / Year)	(Month / Year)	(Month / Year)	(Month / Year)	Total
Number of hours							
Hours of projects (if Annex 1) to which the person has contributed by the reported hours.							
Date and signature of the person working for the action							
Date, date and signature of the monitor							

WHO NEEDS A TIMESHEET ? Only those that work part time in the project.

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Record Keeping: Who needs a timesheet ?

Only those that work part time in the project: (NOT EXCLUSIVELY)

Example clauses in employee contract:

- **EMPLOYEE MUST keep an accurate register of the time he/she works in the project using the tools and/or templates available by the BENEFICIARY.**
- **At the end of each month, the EMPLOYEE will produce the Monthly Report of his time for approval by his supervisor.**
- **ONLY hours actually worked on the actions of this projects will be counted for the calculation of the eligible costs of this project.**
- **In case the employee is working exclusively on the action, there is no need to keep time records. In this case the BENEFICIARY and the EMPLOYEE will declare such case in an agreement.**

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Article 20: Reporting

PERIODIC REPORTS	FINAL REPORT
Periodic Technical Report <ul style="list-style-type: none"> Explanation of work Overview of progress PLAN FOR EXPLOITATION AND DISSEMINATION OF RESULTS Communication Activities Summary for publication by EC H2020 Questionnaire 	Final Technical report <ul style="list-style-type: none"> Overview of results Conclusion of the action Socio-economic impact Summary for publication
Periodic Financial Report <ul style="list-style-type: none"> Individual financial statement (Annex 4) Explanation of use of resources Summary financial Statement (Annex 4) auto-created / Request for interim payment 	Final Financial Report <ul style="list-style-type: none"> Final Summary financial Statement Request for balance payment Certificate on the financial statements

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Article 21: Payment Modalities

- PREFINANCING:** Coordinator (not the individual beneficiaries) receives a fixed amount (stated in the GA) usually 40-50% of the total grant.
- GUARANTEE FUND (GF):** 5% of max grant deducted => transferred to EC's (GF).
- INTERIM PAYMENTS:** based on costs declared in the financial statement
- Total Pre-financing + interim payments < 90% of max grant.**
- TIMELINE:**
 - Payment deadline (by EC) of **90 days** (from day reports received)
 - BUT** time stops when reports not complete or additional information needed, doubt about eligibility of costs (additional checks, reviews, audits or investigations are necessary).
- AUDITS:** 2 years after payment of the balance. (will notify).

Audits concentrate on financial implementation // may also cover technical aspects or compliance with other obligations under the GA.

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Article 23a – 25: IP and Background

- Obligation** to protect results of your project.
- Background:** What you bring to the project
- Adequate visibility** of the action. Referencing EU funding in any communication, patent application, trademark registration, publication, etc. relating to the project and its outcome(s)
 - "This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No XXXXXXX".
 - Disclaimer:** 'this document reflects only the author's view and that the Agency is not responsible for any use that may be made of the information it contains'.

http://ec.europa.eu/research/europeanscience/docs/h2020-funding-guide-projects/grant-management/acknowledging-funding_en.htm

• **Check our IPR Comprehensive Guide:**

<https://h2020-europe.com/ke/en-us/articles/21953789-Download-our-IPR-guides->

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Article 26-27: Ownership of Results & Protection

- **RESULTS** : Output, data, information (*tangible - intangible*)
- **PROTECTION**: Ensure 3rd parties cannot claim results (*subcontractors, partners, clients, employees*)
- **HOW**: Include IP clause in every agreement: *e.g. "the company retains the right to commercially exploit the results ..."*
- **EC may assume ownership of results** (with content of beneficiary)
 - If beneficiary does not want or can protect
 - up to 4 years after the end of project
 - except :
 - results cannot be protected (given circumstances)
 - no potential for commercial exploitation
 - beneficiary will transfer results to 3rd party
- **Consequences of non-compliance**

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Articles 28-29: Exploitation and Dissemination

- You have an **Obligation to exploit**.
 - Further research activities
 - Developing, creating and marketing a product or process
 - Creating, providing a service
 - Using results in standardisation activities

"Results incorporated in this standard received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No XXXXXX".
- **Dissemination: Open access** to scientific publications
 - Journals, White Papers
 - Always display EU emblem (prominent) + text

"This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No XXXXXX".

- **Disclaimer**: Any dissemination of results must indicate that it reflects only the author's view and that the Agency is not responsible for any use that may be made of the information it contains.
- [Learn more for OPEN ACCESS in H2020](#)

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Article 30-31: Transfer and Licencing of Results

- Beneficiary may transfer ownership of Results *e.g. a subsidiary, a spin off etc.*
 - All related articles in GA apply
 - May grant **licenses** to results (give right to exploit) e.g. to affiliates, to partners
- Beneficiary **MUST** give access to results Royalty Free to EU, Agencies etc.

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Articles 32 – 39: Recruitment, Working conditions, Ethics, Confidentiality

- **Working conditions** for researchers: beneficiaries must comply
 - such as establishing a transparent recruitment process,
 - providing equal opportunities and aiming for gender equality.
- **Gender equality**: Take all measures to promote equal opportunities (e.g. Parental leaves) Show you do it: (e.g. disclaimer in adds)
- **Ethical issues**: Very important, especially for projects in health or security areas.
 - **Compliance with security** related obligations (Article 37), especially if they are working with classified information.
 - !! Special attention to **Processing of Personal Data** (Article 39). Find more on Data protection (including new GDPR regulation): https://edps.europa.eu/edps-homepage_en

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Articles 40 – 58: Cost rejection and final provisions

- Article 41: **Roles and distribution of responsibilities** within the consortium.
- Articles 42 – 50: **Cost rejection** how and when (due to ineligibility)
 - **Reduction of max grant** amount due to major and/or substantial errors.
 - **Penalties and liabilities** (from suspension of payments to Action termination).
- Article 55: **Amendments to the GA** and procedure
 - Change or removal of a beneficiary
 - Change of starting, end day, duration or reporting periods
 - Change of name of a beneficiary

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Annotated Model Grant Agreement

- **One consolidated source of info for project implementation**
- Different Models for schemes:
 - **GENERAL MODEL GRANT AGREEMENT (H2020 GENERAL)** ~ 340 p.
 - ERC MGAS (European Research Council)
 - **MARIE SKŁODOWSKA-CURIE ACTIONS (MSCA) MGAS**
 - **SME INSTRUMENT MGAS**
 - ERA-NET COFUND MGA
 - PCP/PPI MGA
 - EJP COFUND MGA (European Joint Program)
 - FRAMEWORK PARTNERSHIPS AND SPECIFIC AGREEMENTS
 - LUMP SUM MGA
 - http://ec.europa.eu/research/participants/portal/desktop/en/fundings/reference_docs.html#2020-mga

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From GA to CA



Grant Agreement (GA)



Consortium agreement



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DESCA



- One balanced core text
 - Two modules for Governance Structure:
 - Module GOV LP for Medium and Large Projects:
Complex governance structure: two governing bodies, General Assembly and Executive Board [Module GOV LP].
 - Module GOV SP for Small Projects:
Simple governance structure: only a General Assembly [Module GOV SP].
 - Optional clauses
 - Optional clauses in the IPR sections (8&9).
 - See example RESULTS p. 25
 - Optional module for projects with a strong software focus [Module IPR SC]
- <http://www.desca-2020.eu>

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Documents and resources

- Grant agreement, Annotated Model grant agreement
Guidance “How to draw up your consortium agreement”
 - http://ec.europa.eu/research/participants/data/ref/h2020/other/gm/h2020-guide-cons-a_en.pdf
- DESCA
 - www.desca-2020.eu
- IPR Helpdesk (NDAs, MoU)
 - <http://www.iprhelpdesk.eu/library/>



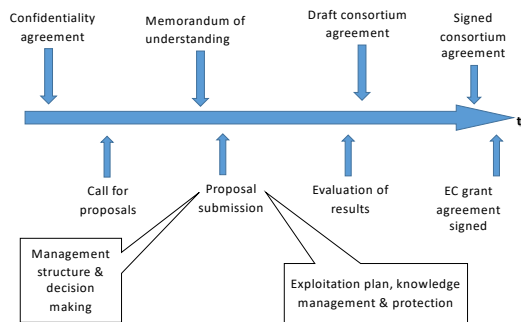
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Summary: IP in Horizon 2020?

- **Pre-proposals**
 - Confidentiality (NDA) and MoU
- **Proposal**
 - 'Measures to maximise impact'
 - Dissemination and exploitation of results
 - Knowledge management and protection strategy
 - Open access
 - Green/ Gold model of publication
- **Grant Agreement**
 - Section 3
- **Consortium Agreement (DESCA)**
 - Results (DESCA Section 8)
 - Access Rights (DESCA Section 9)
 - Non-disclosure of information (Section 10)

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H2020 and IP actions: When?



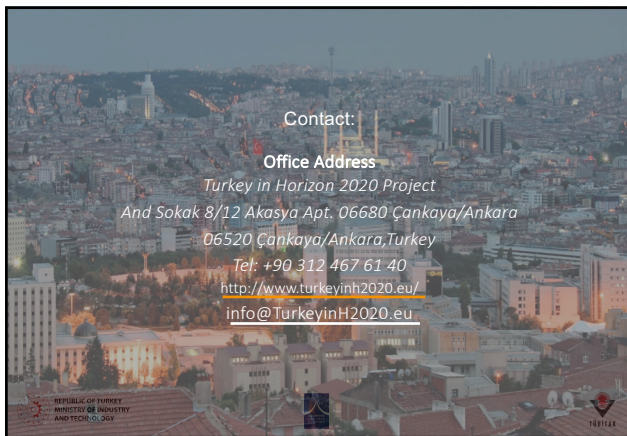
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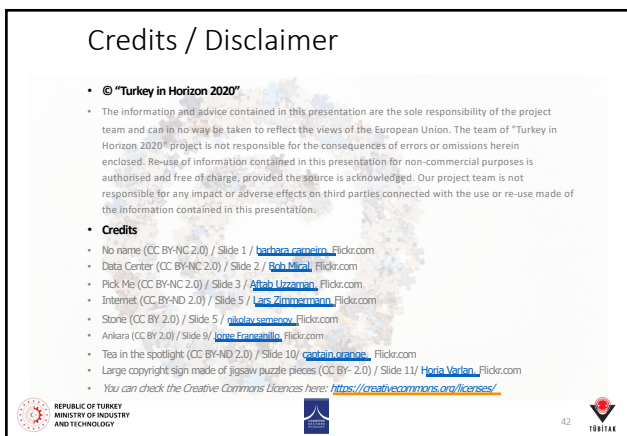
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