



TURKEY<sub>in</sub>  
**HORIZON 2020**  
COOPERATION. INNOVATION. COMPETITIVENESS



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# Turkey in Horizon 2020 II Focus Group Training: INNOSUP-01 CALL

## Financial Aspects

*Understanding the Financial requirements of FSTP Schemes*

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REPUBLIC OF TURKEY  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY



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# What is Financial Support to Third Parties?

- Support (money) to an entity not part of the grant agreement (contrary to a partner in your consortium)
- Third Party considered as final recipient of EU funds (receiving financial contribution directly from beneficiaries of GA).
- Options
  - Direct (Consortium supports directly the SME)
  - Voucher Schemes
    - Directly for specific services allocated to specific services
    - To service provider that will provide these services to SME

# Max amount of FSTP

*Annotated Grant Agreement (Art. 15)*

- (a) maximum financial support for each third party **may not exceed EUR 60 000** for each, unless necessary to achieve action objectives;*
- (b) criteria for calculating the exact amount of the financial support;*
- (c) different types of activity that qualify for financial support, on the basis of a closed list;*
- (d) persons or categories that may receive financial support, and*
- (e) the criteria for giving financial support.*

*The beneficiaries must ensure that [the Agency,] the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can **exercise their rights** under Articles 22 and 23 also towards the third parties receiving financial support.*



# INNOSUP-01 Innovation Services

- 60.000 € limit applies only to FSTP through money transfer
- Limit applies per third party grant (per INNOSUP-01 project) and is not cumulative for all FSTP projects
- Partners are free to provide innovation support services directly to SMEs (regardless of vouchers), so as to fulfil the requirement that **“at least 75% of the total budget shall support innovation in SMEs directly”**.



# Contributions & Payment Arrangements

- When contributions of the supported third parties lead to a financial transaction in favour of the consortium members be aware that **the Grant must not produce a profit.**
- Payment arrangements up to consortium: may include pre-financing, interim and final payment.





# Budget Lines

- Financial support to third parties has to be reported under the budget cost category "**Direct costs of providing financial support to third parties**":
    - Lump sums to be allocated to SMEs
    - **Innovation vouchers** to be given to external recipients: either external providers of services (after being chosen by SMEs) or to SMES to get services provided by external providers :
    - Prizes to be allocated to SMEs
- Innovation services to be provided to SMEs by consortium's partners should be reported **under personnel costs**.
  - External Evaluators to the consortium to evaluate the proposals submitted in the open calls under subcontracting.



# Second Stage Submission:

- the maximum amount per third party
- the criteria for determining the exact amount of financial
- a clear and exhaustive list of the types of activities that qualify for financial support for third parties
- the persons or category(ies) of persons that may receive it
- the criteria for giving financial support



# 75% budget to support innovation in SMEs

"75% requirement" at project level, not at individual partner level

SMEs benefit by:

- Participating in the consortium
- Receiving financial and/or other support as third party.

Costs for actual **innovation** service plus all costs necessary to properly implement the service can be reported under the "75% requirement":

- value of FS + preparation, evaluation, monitoring costs
- value of innovation services to SMEs (coaching and mentoring) + costs
- Costs for developing a matchmaking collaboration tool
- Costs related to matchmaking activities of SMEs  
(e.g. staff costs for animating and preparing content for innovation clubs, b2bs events, boot camps, hackathons, related travel and accommodation costs for partners, costs for hiring rooms, catering, etc).





# Funding Rates

## Funding:

**70%** for profit organisations

**100%** for non-profit

Indirect Costs: **25%**

## Pre-Financing

- no standard amount or (%) amount
- depends on number of reporting periods
- Up to **80%**



# Budgeting for INNOSUP-01

- Design your Open Call
- Estimate value + cost of innovation services
- Ensure the 75% requirement
- Appoint a Treasurer  
(a non-profit partner with 100% funding rate)

Rest of budgeting similar to typical H2020 calls



# INNOSUP-01: Innovation Services to SMEs

	<i>INNOVATE</i>	<i>EXPERIMENT</i>	<i>COMMERCIALIZE</i>	<i>Total</i>
Call #1 SMEs	45	23	10	
Call #2 SMEs	45	23	10	
<b>Total</b>	<b>90</b>	<b>46</b>	<b>20</b>	<b>156</b>
value	3,000€	50,000€	7,000€	<b>60,000€</b>
<b>Total</b>	<b>270,000€</b>	<b>2,300,000€</b>	<b>140,000€</b>	<b>2,710,000€</b>

<i>Mini-grant</i>	<i>Missions</i>	<i>New/mission</i>	<i>New engaged</i>	<i>Contribution</i>	<i>Total</i>
Call for Clusters	15	5	75	750€	<b>56,250€</b>
Call for Innovators (SMEs)	15	3	45	750€	<b>33,750€</b>
<b>Total</b>			<b>120</b>		<b>90,000€</b>

Amount to be allocated to SMEs	€ 3,750,000.00
Amount allocated to BlockIS SMEs Partners	€ 1,000,000.00
Amount allocated to third parties	€ 2,743,750.00
<b>Total allocated to SMEs</b>	<b>€ 3,743,750.00</b>



# Phases of Budget Building

1. Define the total cost
2. Partner distribution draft
3. Prepare WBS and PM / WP
4. Determine Personnel Costs
5. Define Other Costs
6. Circulate budget to partners
7. Negotiate and finalise





# Define the Final Budget

- Make a rough evaluation
- Based on restrictions
  - Call budget
  - Previous Projects
  - Ask your NCP about competition
- Must be realistic
- Start moderate so you can increase it during preparation
- Negotiate early with partners
  - Distribute your proposal in the beginning
  - Even if you have not all the partners, you know the roles



# Horizon 2020 Personnel Cost Model

Average Person Month Cost = weighted mean value of the different profiles

Profile	PM Cost	PM	Total
Director	8.000,00 €	2	16.000,00 €
Senior Researcher	5.000,00 €	8	40.000,00 €
Junior Researcher	2.500,00 €	10	25.000,00 €
		<b>20</b>	<b>81.000,00 €</b>
	<b>AVERAGE COST:</b>		<b>4.050,00 €</b>

*Taken into account only for Proposal Phase. During Project Implementation you need actual costs.*



# Why is it important ?

- Wrong assumptions lead to problems
- Poor planning creates uncertainty

- Practical Example

<https://th2020.zendesk.com/hc/en-us/articles/209317309-H2020-Budget-Preparation>

- INNOSUP-01 Budget Template:

<https://th2020.zendesk.com/hc/en-us/articles/360011974880-FGT-8-H2020-INNOSUP-01>



# How to use the template (Partners)

#	Name	Short Name	Country	Type	Contacts	E-mail addresses	PIC	Person-Month (PM)
1	COORD	COO						
2	PAR1	PAR1						
3	PAR2	PAR2						
4	PAR3	PAR3						
5	PAR4	PAR4						
6	PAR5	PAR5						
7	PAR6	PAR6						
8	PAR7	PAR7						
9	PAR8	PAR8						
10	PAR9	PAR9						
11	PAR10	PAR10						
12	PAR11	PAR11						





# How to use the template (WBS)

			COOR	PAR1	PAR2	PAR3	PAR4	PAR5	PAR6	PAR7	PAR8	PAR9	PAR10	PAR11	TOTAL	%
<b>WP1</b>	<b>VOICT</b>	<b>CONNECT &amp; STIMULATE - Attract and link Clusters &amp; Innovators</b>	6.0	4.0	5.0	5.0	10.0	13.0	14.0	9.0	11.0	9.0	5.0	4.0	95.0	0.26
	1.1	Mapping top performance stakeholders						1.0	1.0	1.0	3.0	1.0			7.0	0.02
	1.2	Block.IS Cluster Missions	2.0	1.0	1.0	1.0	1.0	10.0	6.0	6.0	6.0	6.0	2.0	1.0	43.0	0.12
	1.3	Innovation challenges	2.0	1.5	2.0	2.0	1.0	1.0	6.0	1.0	1.0	1.0	1.5	1.5	21.5	0.06
	1.4	Clusters-Innovators Assembly	2.0	1.5	2.0	2.0	8.0	1.0	1.0	1.0	1.0	1.0	1.5	1.5	23.5	0.06
<b>WP2</b>	<b>INTRA</b>	<b>CATALYSE: Technical and Business support Services for beneficiaries</b>	2.0	2.0	15.0	10.0	2.0	1.0	1.0	1.0	1.0	1.0	6.0	0.0	42.0	0.11
	2.1	Block.IS business support services' design	2.0	2.0			2.0	1.0	1.0	1.0	1.0	1.0	6.0		17.0	0.05
	2.2	Block.IS Blockchain Enablers and supporting activities			10.0	3.0									13.0	0.04
	2.3	Block.IS technical knowledge support and training services			5.0	7.0									12.0	0.03
	2.4	0													0.0	0.00
	2.5	0													0.0	0.00
<b>WP3</b>	<b>CIVITTA</b>	<b>BOOST - Call, select and evolve marketable solutions</b>	13.0	10.0	10.0	8.0	2.0	6.0	3.0	3.0	3.0	3.0	24.0	8.0	93.0	0.25
	3.1	Open Call Management: from publication to selection	2.0	2.0				2.0						6.0	12.0	0.03
	3.2	Phase.1 INNOVATE	4.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5	2.0	1.0	13.5	0.04
	3.3	Phase.2 EXPERIMENT	4.0	4.0	7.0	6.0		2.5	1.5	1.5	1.5	1.5	16.0	1.0	46.5	0.13
	3.4	Phase.3 COMMERCIALISE	3.0	3.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	6.0		21.0	0.06
	3.5	0													0.0	0.00
<b>WP4</b>	<b>INO</b>	<b>PROMOTE - Disseminate &amp; exploit activities and results</b>	14.0	26.0	7.0	8.0	11.5	6.0	5.0	5.0	5.0	5.0	8.0	2.0	102.5	0.28
	4.1	Dissemination strategy, plan and design	1.0	6.0	1.0	0.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.5	16.0	0.04
	4.2	Calls & programme dissemination & promotion	5.0	12.0	4.0	2.0	4.0	3.0	2.0	2.0	2.0	2.0	4.0	1.0	43.0	0.12
	4.3	Policy & strategy		2.0		4.0		1.0	1.0	1.0	1.0	1.0			11.0	0.03
	4.6	BlockIS Impact Assessment	2.0	3.0	1.0	1.0	6.0	0.5	0.5	0.5	0.5	0.5	1.0		16.5	0.05
	4.5	Sustainability & Exploitation	6.0	3.0	1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	2.0	0.5	16.0	0.04
	4.6	0													0.0	0.00
<b>WP5</b>	<b>F6S</b>	<b>MANAGE - Task, deliverables &amp; financial coordination</b>	16.0	1.0	1.0	1.0	1.0	7.0	1.0	1.0	1.0	1.0	1.0	1.0	33.0	0.09
	5.1	Coordination, monitoring and general follow-up of project activities	10.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	15.5	0.04
	5.2	Administrative, legal and financial coordination	2.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	7.5	0.02
	5.3	Data Management Plan	2.0												2.0	0.01
	5.4	Management of consortium and third-parties funds	2.0					6.0							8.0	0.02
		<b>TOTAL</b>	<b>51.0</b>	<b>43.0</b>	<b>38.0</b>	<b>32.0</b>	<b>26.5</b>	<b>33.0</b>	<b>24.0</b>	<b>19.0</b>	<b>21.0</b>	<b>19.0</b>	<b>44.0</b>		<b>365.5</b>	<b>1.0</b>



# How to use the template (Budget)

A - forms figures															
#	Participant	Country	Direct Personnel Costs (A)	Other direct costs (B)	Direct costs of subcontracting ( C_) (please comment the cell with justification)	Direct costs of providing financial support to third parties/€ (D)	Costs of inkind contributions not used on the beneficiary's premises/€(E)	Indirect Costs (F) 0,25*(A+B-E)		(H) Total estimated eligible costs (=A+B+C+D+F+G)	(I) Reimbursement rate (%)	(J) Max Grant (=H*I)	(K) Requested Grant	Other Direct (B) / Personnel (A)	PAR %
1	COOR		242,250.00 €	17,600.00 €				64,962.50 €		324,812.50 €	70%	227,368.75 €	227,368.75 €	7%	4.63%
2	PAR1		172,000.00 €	14,600.00 €				46,650.00 €		233,250.00 €	70%	163,275.00 €	163,275.00 €	8%	3.32%
3	PAR2		228,000.00 €	19,750.00 €				61,937.50 €		309,687.50 €	70%	216,781.25 €	216,781.25 €	9%	4.41%
4	PAR3		177,600.00 €	13,350.00 €				47,737.50 €		238,687.50 €	100%	238,687.50 €	238,687.50 €	8%	4.86%
5	PAR4		137,800.00 €	54,100.00 €				47,975.00 €		239,875.00 €	70%	167,912.50 €	167,912.50 €	39%	3.42%
6	PAR5		99,000.00 €	66,200.00 €		2,800,000.00 €		41,300.00 €		3,006,500.00 €	100%	3,006,500.00 €	3,006,500.00 €	67%	61.19%
7	PAR6		84,000.00 €	19,600.00 €				25,900.00 €		129,500.00 €	100%	129,500.00 €	129,500.00 €	23%	2.64%
8	PAR7		106,400.00 €	19,600.00 €				31,500.00 €		157,500.00 €	70%	110,250.00 €	110,250.00 €	18%	2.24%
9	PAR8		210,000.00 €	13,350.00 €				55,837.50 €		279,187.50 €	100%	279,187.50 €	279,187.50 €	6%	5.68%
10	PAR9		114,000.00 €	19,600.00 €				33,400.00 €		167,000.00 €	70%	116,900.00 €	116,900.00 €	17%	2.38%
11	PAR10		198,000.00 €	13,350.00 €				52,837.50 €		264,187.50 €	70%	184,931.25 €	184,931.25 €	7%	3.76%
12	PAR11		72,750.00 €	10,000.00 €				20,687.50 €		103,437.50 €	70%	72,406.25 €	72,406.25 €	14%	1.47%
	sum		1,841,800.00 €	281,100.00 €	0.00 €	2,800,000.00 €	0.00 €	530,725.00 €		5,453,625.00 €		4,913,700.00 €	4,913,700.00 €		
Analysis of Costs and Funding												4,913,700.00 €			
Participant	Total PM	monthly rate (in Euros)	direct personnel cost	overheads %	overheads in Euros	Equipment	travel	Dissemination material	other	total costs (without overheads)	overheads on costs	Overall total costs	reimbursement rate	Max Grant	
1 COOR	51.00	4,750.00 €	242,250.00 €	25%	1,187.50 €		12,600.00 €	1,000.00 €	4,000.00 €	259,850.00 €	64,962.50 €	324,812.50 €	70%	227,368.75 €	
2 PAR1	43.00	4,000.00 €	172,000.00 €	25%	1,000.00 €		12,600.00 €	2,000.00 €		186,600.00 €	46,650.00 €	233,250.00 €	70%	163,275.00 €	
3 PAR2	38.00	6,000.00 €	228,000.00 €	25%	1,500.00 €		12,600.00 €	750.00 €	6,400.00 €	247,750.00 €	61,937.50 €	309,687.50 €	70%	216,781.25 €	
4 PAR3	32.00	5,550.00 €	177,600.00 €	25%	1,387.50 €		12,600.00 €	750.00 €		190,950.00 €	47,737.50 €	238,687.50 €	100%	238,687.50 €	
5 PAR4	26.50	5,200.00 €	137,800.00 €	25%	1,300.00 €		12,600.00 €	1,500.00 €	40,000.00 €	191,900.00 €	47,975.00 €	239,875.00 €	70%	167,912.50 €	
6 PAR5	33.00	3,000.00 €	99,000.00 €	25%	750.00 €		12,600.00 €	1,000.00 €	52,600.00 €	165,200.00 €	41,300.00 €	206,500.00 €	100%	206,500.00 €	
7 PAR6	24.00	3,500.00 €	84,000.00 €	25%	875.00 €		12,600.00 €	1,000.00 €	6,000.00 €	103,600.00 €	25,900.00 €	129,500.00 €	100%	129,500.00 €	
8 PAR7	19.00	5,600.00 €	106,400.00 €	25%	1,400.00 €		12,600.00 €	1,000.00 €	6,000.00 €	126,000.00 €	31,500.00 €	157,500.00 €	70%	110,250.00 €	
9 PAR8	21.00	10,000.00 €	210,000.00 €	25%	2,500.00 €		12,600.00 €	750.00 €		223,350.00 €	55,837.50 €	279,187.50 €	100%	279,187.50 €	
10 PAR9	19.00	6,000.00 €	114,000.00 €	25%	1,500.00 €		12,600.00 €	1,000.00 €	6,000.00 €	133,600.00 €	33,400.00 €	167,000.00 €	70%	116,900.00 €	
11 PAR10	44.00	4,500.00 €	198,000.00 €	25%	1,125.00 €		12,600.00 €	750.00 €		211,350.00 €	52,837.50 €	264,187.50 €	70%	184,931.25 €	
12 PAR11	15.00	4,850.00 €	72,750.00 €	25%	1,212.50 €		9,250.00 €	750.00 €		82,750.00 €	20,687.50 €	103,437.50 €	70%	72,406.25 €	
	365.50		1,841,800.00 €			0.00 €	147,850.00 €		121,000.00 €	2,122,900.00 €	530,725.00 €	2,653,625.00 €		2,113,700.00 €	





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