



Questions and answers during Shift2Rail Projects¹ Coordinators Info Day (H2020 CFM & OC 2015-2016)

Date: 04/10/2016

	PART	QUESTION	ANSWER
1.	GENERAL	When is the JU going to publish the calls for 2017?	S2R will publish the Annual Work Plan 2017 as soon as adopted by its Governing Board; the decision is expected at the meeting on 25 October 2016. This will be the starting point for the preparation of the calls and the subsequent publication, subject to the adoption of the Union budget (expected by the end of 2016).
2.	LEGAL	Can a CFM project sign Collaboration Agreements with other CFM project? Can a CFM project sign Collaboration Agreements with lighthouse projects?	In the case of foreseen complementarity between CFM projects in the relevant 2015 and 2016 calls, Collaboration Agreements have to be signed. . Additionally, nothing precludes two consortia from doing so if they consider it to be useful, even if such a possibility has not been foreseen in the GAs. Regarding lighthouse projects, it will depend on the willingness to do so by those consortia because the call 2014 launched by the Commission did not foreseen that possibility at that time.
3.	LEGAL	What should be signed first: Consortium Agreement or Collaboration Agreement?	There is no requirement in that regard, nevertheless consideration should be given to the possibility to negotiate and sign them simultaneously. In fact, it might be possible that a Collaboration Agreement may imply changes to the initial planning of the work which may impact the Consortium Agreement and vice versa. In any case, it is up to the Consortium to take a decision.

¹ Please note that in the present document “Indirect Action” as defined under H2020 and “Project” are used with the same meaning

4.	LEGAL	Is there a deadline for the signature of the Collaboration Agreement?	There is no deadline but the JU is encouraging the signature of the Collaboration Agreements to be done at soonest in order to ensure the fulfilment of the obligations under the Grant Agreement and a coherent start of the R&I activities.
5.	LEGAL	How consortia should deal with the potential need to transfer Intellectual Property Rights to the S2R Programme?	H2020 rules regarding Intellectual Property Rights apply and the Collaboration Agreement will be the tool defining the conditions for the transfer of results on a project by project basis. In this respect, the Collaboration Agreement should establish the conditions under which the S2R beneficiaries will make available the results “Needed” are accessible as background to the following or complementary projects.
6.	LEGAL	Could you clarify the access to Background in the Collaboration Agreement?	<p>The Grant Agreements clearly indicates in art. 25.5 that: <i>The beneficiaries must give – under the conditions set out in Article 25.2 and Article 25.3 — access to their background to complementary beneficiaries, for the purposes of the complementary grant agreements(s).</i></p> <p>This provision is reflected in the proposed S2R model Collaboration Agreement under art. which states: <i>In accordance with Article 25.5 and subject to the conditions laid down in Articles 25.2 and 25.3 GA, the parties must give each other access to their background if Needed for the purposes of the complementary grant agreements. Background is described in Annex 3, where particular arrangements made in conformity with the above-mentioned provisions may be agreed upon.</i></p> <p>So access to Background should be defined in the Collaboration Agreement and it is subject to the concept of “Needed” as defined in the Grant Agreement.</p>
7.	LEGAL	Who should sign the Collaboration Agreement: both coordinators, all beneficiaries?	This is decided at the discretion of the parties. The S2R model Collaboration Agreement provides for both possibility. Nevertheless, it is essential that each signatory shall be entitled to commit the entity(ies) they represent.

8.	LEGAL	Considering that OC did not collaborate with the CFM during the proposal phase and that the Collaboration Agreement aim at aligning the delivery of results, how this will be reflected in the Grant Agreements in the most efficient way (considering that amendments are time consuming and it will be challenging to submit them during project implementation)?	Where the need of alignment is of such magnitude to impact, for example, projects' deliverables and activities' time line an amendment may be justified, although time consuming. In this respect, it is advised to finalize the Collaboration Agreements as soon as possible exactly in order to solve any necessary GA adaptation from the start and to avoid time consuming discussion during project implementation.
9.	GENERAL	Is there any list summarising the 27 projects awarded?	<p>The JU presented the projects scope during InnoTrans 2016 and the presentation will be published on the S2R website.</p> <p>In addition each Project coordinators have been requested to provide to the IP/CCA Steering Committee (meeting the first and second week of October) a more detailed summary of all projects including deliverables list and gantt-chart.</p> <p>Finally, S2R it is working to adapt its website to create a platform where all S2R Projects will be presented.</p>
10.	FINANCIAL	Who should submit to the JU the IKOP/IKAA from S2R members? How this should be done?	<p>The reporting of IKOP and IKAA will follow this calendar:</p> <ul style="list-style-type: none"> - by 31 January of each year, each Member of S2R shall report IKOP and IKAP in accordance with Article 4.4 of the S2R Regulation. This reporting shall be done per Member/Project for IKOP and per Member for IKAA. Templates will be provided by S2R by end of October. Considering that the deadline of 31 January is for submission to the Governing Board, it is expected that S2R would receive the declarations for IKOP and IKAA not later than 20 January. The declarations shall be accompanied by an independent external auditor certificate. Where this certificate would not be ready by end of January it should be submitted to S2R not later than end of April to ensure that IKOP and IKAA may be recognized by S2R in its Annual Accounts. It should be noted that IKOP is determined in accordance with the Provision of Article 16.3 of the S2R Statutes as difference between the Total Projects' Cost of the Member in S2R and the

			<p>co-financing received from S2R or other Union funds.</p> <ul style="list-style-type: none"> - within 60 days from the end of each reporting period – S2R has aligned it to the financial year-end so that it should correspond always to 28 February of each year, each beneficiary will submit their Financial Statements including Total Projects’ Cost through the EC Portal tool SYGMA/COMPASS (to the coordinators first and the coordinator will submit them to S2R). Please note that at the moment the system does not offer the possibility to indicate the Total Project Cost is not yet available and IT development work is ongoing.. <p>In accordance with the Membership Agreements, IKOP and co-financing level ceiling of 44.44% as well as IKAA are per Member. For example, in the case a Member is a consortium S2R will not assess which entity to the consortium will contribute to achieve the 44.44% - 55.56% but that the co-financing ceiling is complied with by the Member. The same for the IKAA.</p> <p>S2R will provide guidance and templates by the end of October 2016.</p>
11.	FINANCIAL	Which is the level of details requested for the certification and reporting of the IKOP and IKAA?	<p>The level of detail requested for the certification is established in Article 4.4 of the S2R Regulation. IKOP (please refer her above on how to determine IKOP) and IKAA, shall be determined according to the usual cost accounting practices of the entities concerned, to the applicable accounting standards of the country where each entity is established, and to the applicable International Accounting Standards/International Financial Reporting Standards. The cost of IKOP and IKAA shall be consequently determined as a result of the implementation of the relevant accounting practice of the Member concerned. . S2R will provide guidance and templates in this respect by the end of October 2016.</p>

12.	FINANCIAL	Considering that the in-kind contribution's commitment is included in the membership agreement. Is there any flexibility?	Any change in the Member's overall in-kind contribution in implementing indirect actions (IKOP) shall require a change in the membership agreement. In fact the amount indicated is a minimum amount. Any such request will be discussed on a case by case basis. Any change in the S2R member's in-kind contribution for additional activities (IKAA) shall require a change in the membership agreement. Nevertheless, for example the anticipation of IKAA compared to the initial schedule may not necessarily need an immediate amendment of the Membership Agreement.
13.	FINANCIAL	Does IKOP and IKAA only covers personnel costs?	No, it covers: <ul style="list-style-type: none"> - the costs incurred by a Member in implementing indirect actions less the contribution of the S2R JU (IKOP) and any other Union contribution to those costs, as indicated in Articles 4.2.(a) of the S2R Regulation and 16.3 of the S2R Statutes and further detailed in the table included in Section 3.4 - Resources to be committed of the relevant Grant Agreement (Annex I, Part B). - all costs incurred by a Member in implementing additional activities outside the work plan of S2R (IKAA) as planned in Annex B of the Membership Agreement, which are complementary to this work plan and contribute to the objectives of the S2R Master Plan.
14.	FINANCIAL	Do linked third parties need to report costs separately?	Each linked third party declares its own costs. The costs of the linked third party must not be included in the beneficiary's financial statements. Each linked third party has its own financial statements, but these statements must be submitted by its beneficiary via the electronic exchange system (since linked third parties do not have access to this system).

15.	FINANCIAL	A certificate on the financial statements is required when a beneficiary requests a total contribution of EUR 325 000 or more. Does this threshold apply per beneficiary and per each project?	The request for a certificate on the financial statements shall be submitted by a beneficiary in a given project (so not cumulative for a beneficiary involved in different projects governed by different Grant Agreements). The same applies for a Linked Third Party when it requests a total S2R financial contribution equal or above to EUR 325 000 (excluding costs based on lump sum flat rate, such as the 25% for indirect costs).
16.	FINANCIAL	A cost to be eligible must be reasonable compared to work. How is this assessed?	According to the Grant Agreement, actual costs must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy, effectiveness and efficiency. In practical terms, the JU shall assess if the activities performed have reached the planned objectives considering the resources used, their timeline and any deviation compared to the initial plans. This will be done at the occasion of the project review, on the basis of the documentation submitted by the Member in accordance with the H2020 rules. S2R is planning to have a first draft Programme Handbook end-2016 early 2017 which should provide additional background. It should be noted that the JU may have recourse to experts to assess deliverables and results, from its constituency, its governance, external experts, etc.
17.	FINANCIAL	An organisation successfully proved best value for money for a subcontracting in a lighthouse project. Should this organisation prove this principle if intends to subcontract work to the same company in another project?	If the organisation has a framework contract, going beyond the lifetime of the Lighthouse Project, awarded on the basis of this principle, the latter will be fulfilled if the market conditions have not changed in the meantime. Otherwise, the organisation may need to demonstrate the fulfilment of this principle again.
18.	FINANCIAL	H2020 and S2R apply a flat rate for indirect costs. Is there any way a member of S2R can claim real indirect costs?	Under H2020 Rules of Participation this is not possible. Nevertheless, a Member of S2R is subject to the provision of contribution as defined in Article 4.3 of the S2R Regulation. In this respect, IKOP is determined as a difference between the Total Project Cost of an indirect action and co-financing received from S2R or any other Union funding (Article 16.3 of the S2R Statutes). As a consequence, out of the Total Project Cost established in accordance

			<p>with the usual accounting principles of the Member, in order to be receiving the S2R co-financing the Member shall report under H2020 only the costs eligible under the Rules of Participation; the remaining costs, IKOP, may consequently include costs not eligible under H2020 such as other indirect costs.</p> <p>It should be noted that, in any case, the Total Project Cost reported by the Member shall mirror the one indicated in Section 3.4 of the Grant Agreement – Annexe 1 – Part B as cost necessary to achieve the full action as described in Annexe A and B of the same Agreement in answer to the call.</p>
19.	FINANCIAL	Workers dedicated to a project full time may not need to prepare time-sheets. What are the time limits for this (for the whole project, per reporting period, per month, per day)	<p>It is recommended that staff working full-time on the project fill in the following document: http://ec.europa.eu/research/participants/data/ref/h2020/other/legal/templ/tmpl_decl_excl-work_en.pdf In the cases where a time-sheet is required, the minimum requirements are included in this document: http://ec.europa.eu/research/participants/data/ref/h2020/other/legal/templ/tmpl_time-records_en.pdf The form could be used for a minimum of 1 month and with a maximum of one form per reporting period.</p>
20.	FINANCIAL	Members of S2R should report H2020 and in-kind contribution. It might happen that a member does not have in place an accounting system ready to separate both costs. Is it needed to structure our system in order to differentiate the time spent on the project separately for H2020?	<p>As already explained in previous questions, IKOP is determined in accordance with Article 16.3 of the S2R Statutes as a difference between the Total Project Cost and the co-financing received by S2 or other Union funding, keeping in mind the overall ceiling of 44.44%.</p> <p>Consequently, although you do not need to have in place a system to separate the costs, you should have an accounting system capable to answer the requirements of H2020 costs claims like in all previous EU R&D funded project. The Total Project Cost shall be determined on the basis of the provisions of Article 4.4 of the S2R Regulation. , but for IKOP we will only take into account the</p>

			<p>certification on the total Action costs and deduct the S2R reimbursement from the H2020 costs declaration. A more precise guideline will be issue in the month of October.</p> <p>A guidance document on in-kind contribution will be communicated in October.</p>
21	FINANCIAL	Could men's hour be shifted between Work Packages and/or between beneficiary without amendment	<p>The GA allows transfers of budget, not of tasks. So it could be done at condition this doesn't affect the implementation of the action, as described in Annex 1 of the GA (beneficiaries may transfer budget among themselves, between linked third parties or between budget categories – see AGA Art.4). The maximum JU contribution can never be increased. Therefore, this may occur when the incurred eligible costs are lower than the estimated eligible costs – with no change to A1 The JU advice each beneficiary to inform the PM of all potential budget transfer without amendment in advance.</p>