



**FUSION
FOR
ENERGY**

Contracts and Procurement Department

Guidelines on reimbursement of “management activities” and “other specific activities” for Fusion for Energy (F4E) grants

These Guidelines concern the implementation of Article II.14 Model Grant Agreement for single beneficiaries and Article II.15 Model Grant Agreement for multiple beneficiaries.

1.) General rule for determining the appropriate rate of reimbursement

The Grant funding instrument is applicable to those cases in which there is a common and shared interest by the beneficiary/ies and F4E in the successful completion of the action. This is reflected in the provisions in place for the resulting intellectual property (which ownership remains with the beneficiary), for the items procured within the action (which ownership remains with the beneficiary) and for the reciprocal liability (which is waived).

It is understood that the sharing by F4E in funding the action is instrumental in achieving the final result and this is reflected by certain rights acquired by F4E (such as the unlimited right to use).

Because of the above, full cost reimbursement (100%) shall only apply to those additional costs which are incurred by the beneficiary/ies because of F4E's involvement. All the costs which the beneficiary would have incurred anyway for the successful performance of the action shall be reimbursed at 40%.

2.) Management activities

Management activities include the legal, financial, planning, contractual (including subcontractor) and administrative management necessary to implement the action including obtaining certificates on the financial statements and on the methodology and costs relating to financial and technical audits. In case of multiple beneficiaries the costs related to the management of the consortium agreement can also be claimed. The management costs may also include costs necessary to organise a call or a tender to choose a subcontractor.

Management costs include as well costs resulting from the identification of intellectual property in a way which is specific to F4E needs (e.g. assistance for the preparation of

the background declaration, assistance for the preparation of a “freedom to operate” report, identification of IP assets from third parties needed to implement the action, etc).

The costs related to the coordination of the consortium concern the administrative coordination and thus can never include costs for the coordination related to the implementation of the R&D and demonstration activities. Such costs related to "scientific coordination", may only be reimbursed at 40%.

As a reference the following can be assumed: if a single beneficiary claims more than 5 % and a consortium claims more than 10 % of F4E's financial contribution (for R&D, demonstration & other specific activities) as management costs, the higher amount should be explained and justified.

In case of single/unique beneficiaries, management costs are generally supposed to be low, unless in case of necessary coordination with third parties or subcontractors. This also applies to cases in which F4E explicitly requires beneficiary/ies' support in monitoring an independent procurement contract issued directly by F4E: in this case the grant value may be relatively small compared to the procurement, and higher than ordinary costs of management activities (which specifically also include management activities related to the procurement) may be claimed.

→ ***There is no limit of costs or percentage of funding which can be used for management activities. However, like all costs, in order to be eligible, they must comply with the conditions regarding eligible costs, set out in Article II.12/13 of Grant Agreement for single and multiple beneficiaries (actual, economy, efficiency, etc.).***

→ ***Costs will be in all cases reimbursed according to the purpose of the activity. In particular, regarding travels, rate will depend on the main purpose of the travel: i.e., meetings, travel and subsistence costs concerning the implementation of R&D and Demonstration activities are reimbursed 40%; travel and subsistence costs regarding e.g. the administrative management of the consortium fall under “management activities” and are reimbursed 100%).***

3.) “Other specific activities”

Other specific activities are those that are not covered by R&D, Demonstration or Management activities.

The two main requirements for costs to fall under this category are:

- “other”: activities not part of R&D, Demonstration or Management
- “specific”: specifically required (and identified) by F4E

Those “other specific activities” should be identified - as far as possible - upfront in the call for proposals / letter to unique beneficiary. They should be discussed carefully during finalisation of the Grant Agreement and be eventually explicitly included in Annex B (Technical Specifications) and/or Annex A (Quality Assurance Management Specifications) to the Grant Agreement.

These activities may concern, for example:

- Activities linked to **IPR, Exploitation and Dissemination**
 - Specific dissemination actions requested by F4E: for example the establishment of a website; the presentation of the project during conferences or workshops; the drafting of a scientific publication including, if applicable, the payment of a fee for its publication; the establishment and maintenance of an online material database; the preparation, publication and dissemination of design and/or test standards for use by the ITER community; the preparation, publication and dissemination of design manuals, etc.
 - Promotion of the exploitation of the action's generated IPR¹ when requested explicitly by F4E (for example feasibility studies for the creation of spin-offs or "take up" activities regarding the assessment, trial and validation of promising, but not yet established technologies and solutions).
- Activities linked to **Quality Assurance (QA)**.
QA costs not concerning the establishment of a general purpose QA system by the beneficiary/ies, but only concerning implementation of additional (in many cases special) QA related to the action covered by the Grant Agreement.
- Activities linked to **Training**.
As for instance the organization of training courses upon specific and explicit request by F4E, for personnel from fusion-related entities (including F4E, ITER IO, other DA, etc). This may also include the organization of workshops and conferences with purely training purposes.

→ ***Those costs should of course comply with all the other requirements for eligibility according to Article II.12 / 13 of the Grant Agreements for single and multiple beneficiaries (actual, economic, for the sole purpose of achieving the objectives of the action, etc..)***

Annex: List of categories of costs to be reimbursed according to Article II.14 (single beneficiary) and Article II.15 (multiple beneficiaries) Model Grant Agreement

¹ Remark: Actual commercial exploitation and any concrete preparation thereof (as opposed to the above-mentioned feasibility studies or "take up" activities), as well as related activities (e.g. marketing) cannot receive funding.

Annex

List of categories of costs to be reimbursed according to Article II.14 (single beneficiary) and Article II.15 (multiple beneficiary) Model Grant Agreement

This List is not exhaustive

<u>Research + technological development activities</u> <u>Demonstration activities</u>	<u>Other specific activities</u>	<u>Management activities</u>
<ul style="list-style-type: none"> • Scientific and technical project management <ul style="list-style-type: none"> ○ System coordination and engineering ○ Logistic, handling and transportation. • Research, development and demonstration design activities <ul style="list-style-type: none"> ○ Design and development. ○ Fundamental and applied analysis tasks ○ Process research and engineering ○ Production research and engineering ○ Instrumentation research and engineering • Manufacturing, integration and assembly <ul style="list-style-type: none"> ○ Component manufacturing ○ Component integration ○ Assembly • Testing and verification <ul style="list-style-type: none"> ○ Research and development testing and evaluation. ○ Demonstration and qualification testing and evaluation. ○ Acceptance testing and evaluation. 	<ul style="list-style-type: none"> • Specific quality assurance. <ul style="list-style-type: none"> ○ Special quality ○ Special safety provisions ○ Special reliability provisions • Data dissemination upon F4E request • Special logistic, handling and transportation needs • Training upon F4E request 	<ul style="list-style-type: none"> • Administrative management <ul style="list-style-type: none"> ○ Legal/administrative ○ Contractual ○ IPR management • Project control <ul style="list-style-type: none"> ○ Planning ○ Financial • Consortium Agreement

<ul style="list-style-type: none"> ○ Operational testing and evaluation. ○ Mock-ups and prototypes. ○ Testing and evaluation support. ○ Test facilities. • Operational activation <ul style="list-style-type: none"> ○ Assembly, installation and verification on site. ○ Technical support. ○ Site construction ○ Site conversion • Action-specific instrumentation and equipment <ul style="list-style-type: none"> ○ Test and measurement equipment ○ Support and handling equipment ○ Tooling • Facilities and site management <ul style="list-style-type: none"> ○ Construction, conversion, expansion ○ Equipment acquisition and modernization ○ Maintenance ○ Initial spares and repair parts • Data management • Basic/standard quality assurance <ul style="list-style-type: none"> ○ Compliance to generic quality standards (e.g. ISO) ○ Compliance to applicable national safety/health standards 		
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