European Commission

# Proposal submission forms for

# Financial support from the EC for shared-cost RTD actions: research and technological development projects, demonstration projects, and combined projects

**Including guidelines on how to complete the proposal submission forms**

**Version of 15 December, 1999**

**Reference No. rtdp_guide_en.pdf**

# How to complete the proposal submission forms

## Introduction

This document provides guidance on how to complete the attached administrative forms. These forms will be an integral part (‘Part A’) of your proposal for a research and technology development project, demonstration project, or combined research and demonstration project.

The forms may be submitted either electronically or on paper. You are strongly advised to submit the forms electronically.

**Submitting electronically:**

You must use the Proposal Preparation Tool, which can be downloaded free-of-charge from the Internet site:

http://www.cordis.lu/fp5/protool

This tool provides on-line help facilities, and provides instructions for entering and submitting the required information electronically.

**Submitting on paper:**

There is a front-page (A0) and four forms, numbered A1, A2, A3 and A4. You should detach and complete these forms or you may use photocopies of them providing the quality is good. Alternatively, you can download the forms from the World Wide Web at the address given above. When you have completed the forms, please keep a photocopy for your own file.

The forms are designed to collect the administrative information on the consortium making the proposal. This information is necessary for the Commission Services to evaluate the proposal. A minimal amount of extra information is requested for statistical purposes only.

**In addition to the administrative information provided in part A, a proposal must also contain parts B and C, describing the content and the management of your proposed project. Incomplete proposals will be ineligible and will not be evaluated. The layout and structure of parts B and C are described in the Guide for Proposers for the relevant call.**

**How to complete the forms**

The forms should be completed as follows:

- The financial and administrative co-ordinator fills in forms A0, A1, A2, A3, and A4;
- The principal contractors fill in one A3 form each.
- The assistant contractors fill in one A3 form each.

Subcontractors are not required to fill in the A3 form and should not appear separately on the A4 form.

Explanatory notes are appended to each form.

Forms A0 to A4 may be machine-read at the Commission, so to minimise the possibilities of your proposal details being read incorrectly, we would kindly ask you to read and follow these notes carefully.

Please fill in the forms by typewriter. A photocopy of the original may be used if the quality is good.

Please keep Forms A0 to A4 as clean as possible and do not fold, staple or amend them with correction fluid.

Please enter your data only in the white space on the forms, do not type outside the boundaries or the data is likely to be truncated in the Commission's database. For questions requiring a choice between different boxes, please enter X in the appropriate space. You may find it easier to do this by hand in black ink, rather than try to line up a single typed character.

When appropriate when completing the form, please replace the characters listed below by the corresponding double characters:

| | | | | | |
|---|---|---|---|---|---|
| Ø | OE | Ä | AE | Ö | OE |
| ø | oe | ä | ae | ö | oe |
| Æ | AE | Ü | UE | Å | AA |
| æ | ae | ü | ue | å | aa |
| ß | ss | | | | |

For numbers, (amount, duration, percentages, person-months), please round to the nearest whole number. Do not insert any character or space to separate the digits in a number.

Please remember to indicate the proposal short name (acronym) and proposal number (if a number has been allocated before submission) at the top of the forms (part A) where indicated, and on every page of the other parts (part B and C), including any annexes.

All costs must be given in euro (and not kilo euro) and must exclude value-added tax (VAT).

**Signature of the forms**

The principal contractors and assistant contractors should send their completed A3 form to the proposal co-ordinator. They should confirm their organisation's agreement to participate in the proposal either by signing this form, or by providing a commitment letter to the co-ordinator before the deadline.

The proposal co-ordinator should check that the forms have been filled in correctly and that there is consistency between the information in the various forms and the rest of the proposal. The co-ordinator must have in his possession either the signed A3 forms from the contractors or letters of commitment, but he/she does not have to include the originals in the proposal. If submitting the proposal on paper, the co-ordinator has to sign form A1 before sending it. The co-ordinator should then send one original proposal with a signed A1 form and the required number of copies to the European Commission. The number of copies is specified in the Guide for Proposers and the address is specified in the Call for Proposals.

If it is submitted electronically, electronic signature must be provided. The co-ordinator has to have in his position either the original signatures of the participants who would contribute to the funding of a project (i.e. principal contractors and assistant contractors) on form A3 or commitment letters from the participants stating that the co-ordinator is authorised to submit the proposal on behalf of the consortium and that the proposal is agreed to by the partners. The Commission can ask the co-ordinator to produce these forms at any time if needed.

**Additional information**

The notes accompanying the forms are intended to help you complete them correctly. However, you should also read the other parts of the Guide for Proposers, and other documents provided in the information package, where you will find more complete descriptions of the principles used to implement the programme. Specifically, the following documents are essential to submit a proposal:

- The call for proposals published in the Official Journal,
- The Guide for Proposers for the call,
- The proposal submission forms for the type of action you apply for,
- The work programme for the relevant Community programme,
- The evaluation manual with its programme specific annexes.

Other sources of information which contain relevant information are:

- The model contracts for Community activities in the field of research and technological development and demonstration,
- The rules for participation and dissemination of research results of the fifth framework programme.

Copies of these documents can be requested from the information desk of the Commission services mentioned in the Guide for Proposers for the call or be downloaded from the WWW at the following address: http://www.cordis.lu/fp5.

# How to complete the administrative forms (Part A - Forms A0 to A4).

## Proposal Information and Administrative Overview Forms (A0, A1)

**1. 'Proposal information and administrative overview forms' (A0 and A1)**

These forms are to be completed by the proposal co-ordinator on behalf of the consortium.

**2. Thematic Priorities of the Research Programmes**

The thematic priorities addressed by your proposal as indicated in the list in Annex 1 of Appendix 1, the proposal submission forms: "Structure of the thematic priorities of the 5$^{th}$ Framework Programme 1998-2002 (indirect actions)". The list is organised so that the first three or four characters indicate the programme (in bold), the next four digits indicate the year of the workprogramme, and the two or three last digits indicate the thematic priorities (action lines or research objectives).

When you fill in the box(es) for the research programme in form A0, you should only use the abbreviated name of the programme(s), (e. g. QOL, IST, GROW, etc).

When you fill in the box(es) for the thematic priorities on form A0 and A1, you should use the abbreviated name of the programme (the first three or four characters), followed by the year, and the two or three digits that identify the thematic priorities. If more than one thematic priority is addressed, indicate them in priority order, so that the main priority addressed by the proposal is mentioned first (e. g. QOL-2000-1.3.4).

**3. Call Identifier**

The call identifier is the reference number given in the call you are addressing, as indicated in the publication of the call in the Official Journal.

**4. Type of Action**

The type of action you are applying for. For research, demonstration and combined projects you should use one of the following codes:

**RS**: Research and Technological Development Projects;

**DM**: Demonstration Projects;

**CM**: Combined Research and Demonstration Projects.

**5. Proposal Acronym**

Provide a short title or acronym of no more than 20 characters, to be used to identify the proposal. The same acronym should appear on each page of the proposal in order to prevent errors during its handling.

**6. Proposal No**

The proposal number you were given at pre-registration by the Commission Services, where this service was applicable. If you have not received a proposal number, you should leave this field blank. In this case, the Commission services will allocate a proposal number after reception. This number will be communicated to you on the acknowledgement of receipt form.

**7. Contact person for the proposal**

The name and contact details for the person responsible for the proposal who acts as a contact on behalf of the consortium after the evaluation of the proposal, normally the proposal co-ordinator.

**8. Gender (F(emale) / M(ale))**

This information is required for statistical purposes only. Please indicate with a cross as appropriate.

**9. Organisation Legal Name**

You must use the complete legal name of the organisation. If applicable, name under which the organisation is registered in the official trade registers.

**10. Department / Institute Name**

Name of the unit (department or institute) in the organisation, which will be carrying out the work and for which the contact person is working. The address details given in the following fields must be for the department/institute and not the legal address of the organisation.

**11. P. O. Box**

If applicable, indicate number of Post Office Box for surface mail delivery.

**12. Post Code**

If applicable, enter numerical (alphanumeric for United Kingdom and The Netherlands) post code without being prefixed by the country identifier, e.g. 1000 <u>and not</u> B-1000 or SW1H 9AS <u>and not</u> UK-SW1H 9AS.

**13. Cedex**

If applicable, indicate Cedex for surface mail delivery.

**14. Country Code / Name**

Use the relevant country code and country name as indicated in the list in Annex 2 of Appendix 1, the proposal submission forms: “Country Codes”. For any country not included in the list in

Annex 2, please indicate the full name of the country in the "Country Name" and leave the "Country Code" blank.

**15. Telephone No and Fax No**

Please give the telephone and fax numbers in the following format; for example (a European Commission telephone number in Brussels, Belgium) (32-2)2988888 (32 being the country code number; 2 the area code number for international calls; 2988888 the subscriber's number).

**16. Proposal Abstract**

The proposal abstract should be a very short and precise presentation of the main features of the proposal. Why is it proposed and what problem is it solving? What are the objectives? How will the objectives be achieved? What results are expected? This proposal abstract will be used together with the proposal summary description in form A2 in the evaluation process and in communications about the proposals to the interested parties (Commission services and programme committees, etc.). Please use plain typed text, avoiding formulae and other special characters. If the proposal is written in a language other than English, please include in form A1 an English version of the abstract.

**17. Project Duration**

Project duration in months.

**18. Total estimated Eligible Costs**

The total estimated eligible costs of the project in euro as in form A4.

**19. EC Contribution requested**

The total contribution requested for the project from the European Community in euro, as in form A4.

**20. Keywords**

If applicable, the keywords to be filled in these fields will be defined in the Guide for Proposers Part 2, Section IV, “Call specific information”, for the calls according to the needs of the specific programmes.

**21. Similar Proposal**

If you have previously submitted the same proposal or one similar in content to any European Community programme, you should indicate the details here. In the field programme name, you should use the code in the list of thematic priorities in Annex 1 of Appendix 1, the proposal submission forms if the programme is a fifth framework programme, in all other cases, write the name of the programme. If more than one proposal has been or is being submitted, please list these in part B of the proposal.

## Proposal Summary Form (A2)

### 22. Proposal Summary

**The proposal summary form, (A2)** should be filled in by the co-ordinator only. You should not use more than 3,500 characters. The proposal summary should, at a glance, provide the reader with a clear understanding of the proposal objectives and how the objectives will be achieved, and their relevance in the context of the objectives of the specific programme. This summary may be used as an alternative to the proposal abstract, as the description of the proposal in the evaluation process and in communications to the programme management committees and other interested parties. It must therefore be short and precise. Please use plain typed text, avoiding formulae and other special characters. If the proposal is written in a language other than English, please include in form A2 an English version of the proposal summary.

## Participant Profile / Information Form (A3)

### 23. Form A3

**Form A3** should be filled in by principal contractors (including the co-ordinator) and assistant contractors only. Make sure that the form is signed by a person in your organisation authorised to sign research proposals. Keep a photocopy or an electronic copy of the completed form for your own files before sending it to your proposal co-ordinator.

### 24. Participant Role

The role for the participant as defined by the consortium for this proposal. This role should also be used on form A4. The following codes should be used for role:

**CO**: scientific, administrative and financial co-ordinator;
**CS**: only scientific/technical co-ordinator (if different from co-ordinator);
**CR**: principal contractor (other than the co-ordinator);
**AC**: assistant contractor.

### 25. Participant No

The number allocated by the consortium to the participant for this proposal. The co-ordinator of a proposal is always number one. Assistant contractors should have numbers following the principal contractor whom they are working with. In case the assistant contractor is assisting more than one principal contractor, the assistant contractor should have a number following the first principal contractor listed.

### 26. Assistant to Principal Contractor No (Participant No)

Only for assistant contractors: Indicate the number of the principal contractor, whom the assistant contractor is assisting.

**27. Registration No with the European Community's Research Programmes**

In case the organisation has already received a registration number under the fifth Framework Programme, please enter it here, and only give the organisation details if they have changed since the registration number is received. **This registration number will only be issued once the organisation has been validated during the negotiation of a contract with the Commission.**

**28. Organisation Legal Name**

If applicable, name under which the participant is registered in the official trade registers.

**29. Short Name**

The short name chosen by the participant for this proposal. This should normally not be more than 20 characters and the same should be used for the participant in the A4 form

**30. Legal Registration No**

If applicable, please provide the organisation's legal national registration number or code found in, e.g. the Chambers of Commerce register or the business register.

**31. Activity Type**

Indicate the principal activity of your organisation. Please use one of the following codes:

**REC**: Research (i. e. organisations only or mainly established for research purposes);
**HES**: Higher Education (i. e. organisations only or mainly established for higher education/training, e. g. universities, colleges);
**IND**: Industry (i. e. industrial organisations private and public, both manufacturing and industrial services – such as industrial software, design, control, repair, maintenance);
**OTH**: Others

**32. Legal Status**

Please use one of the following codes:

**GOV**: Governmental (local, regional or national public or governmental organisations e. g. libraries, hospitals, schools);
**INO**: International Organisation (i. e. an international organisation established by national governments);
**JRC**: Joint Research Centre (i. e. the Joint Research Centre of the European Commission);
**PUC:** Public Commercial Organisation (i. e. commercial organisation established and owned by a public authority) ;
**PRC:** Private Commercial Organisation including Consultant (i. e. any commercial organisations owned by individuals either directly or by shares);
**EEI:** European Economic Interest Group;
**PNP:** Private Organisation, Non Profit (i. e. any privately owned non profit organisation).

**33. Legal Status : 'If 'PRC', Specify'**

If you are a Private Commercial Organisation (PRC), please indicate the type of organisation (e.g.: SA, LTD, GmbH, independent person…).

**34. Business Area (NACE)**

For statistical purposes, the Commission services need to classify the principal economic activity of each participant. This is done for the programmes in the 5th Framework programme according to the 2-digit or 3-digit NACE Rev. 1 classification, listed in Annex 3 of Appendix 1, the proposal submission forms. (NACE is "Nomenclature générale des activités économiques dans les Communautés européennes"). You should identify the principal economic activity of your organisation, or, in the case of a larger organisation, of the executive division of your organisation making the proposal.

**35. User/Supplier**

Only if applicable (see the relevant Guide for Proposers). Please indicate whether the participant is principally a user (i. e., a participant in the project who participates as a user of the project's result) or a supplier (i. e., a participant in the project who provides the solution or result to solve the users problem) in this project.

**36. Cost Basis**

You should indicate one of the following cost participation models.

**FC**: Full costs, actual overhead rate (i.e., you will contribute at least 50% of the full costs of the project);

**FF**: Full costs, flat overhead rate (i.e., you will contribute at least 50% of the full costs of the project);

**AC**: Additional costs (i.e., you do not have an analytical accounting system. You will contribute to the costs of the project through your normal operating budget. The additional costs for the project will be reimbursed at 100%).

Please ensure that you indicate the correct cost participation model and that your department uses the same cost model if you submit more than one proposal. **For more information on cost participation models, see notes 62 and 64, and the explanations in section III of the Guide for Proposers.**

**37. Organisation details**

This section is for statistical information only. The fields should be filled by all private organisations and other participants who have an analytical accountancy system, but public research institutions, like universities only have to fill field 40 (see the notes to the fields in this section).

**38. Annual turnover**

This field is for statistical information only. It should be filled in by all participants who use the full cost participation model or the full cost flat overhead rate participation model, and also for those research organisations, which are able to provide the figures, but normally not for universities. Information from the most recent accounting year should be used. The figures should be given for the organisation as a whole and not just for the subsidiary company or the department carrying out the work. The following codes for intervals should be used:

**T1**: 0 ≤ EUR 7 million (Annual turnovers less than or equal to EUR 7 million)
**T2**: > EUR 7 million or ≤ EUR 40 million (Annual turnovers more than EUR 7 million or less than or equal to EUR 40 million
**T3**: > EUR 40 million (Annual turnovers more than EUR 40 million).

If not applicable (e.g., for universities) please write **N/A.**

**39. Annual Balance sheet Total** (i.e., total of assets or total of liabilities)

This field is for statistical information only. It should be filled in by all participants who use the full cost model or the full cost, flat overhead rate model, and also by those research organisations, which are able to provide the figures, but normally not for universities. The figures should be given for the organisation as a whole and not just for the subsidiary company or the department carrying out the work. Information from the most recent accounting year should be used. The following codes for intervals should be used:

**B1**: 0 ≤ EUR 5 million (Annual balance sheet total less than or equal to EUR 5 million)
**B2**: > EUR 5 ≤ EUR 27 million (Annual balance sheet total more than EUR 5 million or less than or equal to EUR 27 million)
**B3**: > EUR 27 million (Annual balance sheet total more than EUR 27 million)

If not applicable (e.g. for universities) please write **N/A**

**40. Number of employees**

This field is for statistical information only. All participants should fill it in. The figures should be for the legal organisation as a whole - not only for the department carrying out the work. The contribution of part-time staff should be accounted as the equivalent number of full-time staff – as full-time equivalents. Please indicate the number of full-time equivalent employees according to the following classification:

**S1**: 0 employee
**S2**: 1 – 9 employees
**S3**: 10 – 49 employees
**S4**: 50 – 249 employees
**S5**: 250 – 499 employees
**S6**: 500 – 1999 employees
**S7**: 2000+ employees

**41. Independence**

An organisation is independent if less than 25% of the capital or the voting rights is owned by one enterprise or jointly by several enterprises falling outside the definition of an SME (except public investment corporations, venture capital companies and institutional investors, provided no control is exercised either individually or jointly).
If the organisation is not independent, you should provide the name(s) of the company(ies) which own(s) 25 % or more of the organisation.
An SME (small and medium-sized enterprise) is defined as an entity that has less than 250 full time equivalent employees, has an annual turnover not exceeding EUR 40 million, or an annual balance sheet total not exceeding EUR 27 million, and is not controlled by 25% or more by a company which is not an SME (on the issue of control, see note 43).

**42. Owners**

Please provide the legal name(s) of the organisation(s) controlling the organisation by 25% or more (on the issue of control, see note 43).

**43. Affiliation**

An organisation is affiliated to another organisation if:
It is under the same direct or indirect control as another organisation, or
It directly or indirectly controls another organisation, or
It is directly or indirectly controlled by another organisation.

***Control:***

Company A controls company B if:

- A, directly or indirectly, holds more than 50% of the share capital of B, *or*,
- A, directly or indirectly, holds more than 50% of the shareholders' voting rights of company B, *or,*
- A has, directly or indirectly, the decision-making powers within company B.

It should be noted that Company A's holding a simple majority of the share capital, or the voting rights, of Company B may be sufficient to create a controlling relationship.

**44. Affiliated Organisations**

Please provide the participant number, short name(s) of the organisation(s) to which your organisation is affiliated and use the codes below to describe the character of the affiliation(s):

**D**: Direct control;
**I**: Indirect control.

**45. Department carrying out the work**

Provide here the name and address of the department carrying out the work

**46. Authorised Person**

This is a person with authority to commit the organisation to participate to a research project.

## Cost Summary in euro Form (A4)

**47. Cost Summary in euro, form A4**

The A4 form consists of two pages. Each page must be filled in. The A4 form should be filled in by the co-ordinator based on the budget distribution agreed by the consortium. It should only contain the eligible costs. All figures should be in euro and not kilo euro. For more detailed information on eligible costs categories for the cost shared RTD actions, please refer to the notes below and to section III of the Guide for Proposers.

For projects only concerned with research or only concerned with demonstration, only one A4 form should be submitted.

For combined research and demonstration projects where it is possible to make a clear distinction between the research and demonstration parts of the project, two different A4 forms should be submitted, one for the research part and one for the demonstration part of the project.

For combined research and demonstration projects where it is not possible to make a clear distinction between the research and demonstration parts of the project, only one A4 form should be filled in, and the requested percentage for Community contribution should be a weighted average between the research and demonstration part. (See also note 64).

**48. Costs of the co-ordinator**

The project co-ordinator should include here only the costs for the performance of its part of the research under the project. The costs of the administrative/financial co-ordination may be included in the overheads of the research work (row 48, col. 62).

Alternatively, if the project co-ordinator is able to identify the direct costs of the administrative/financial co-ordination, such costs may not be included in the research overheads and may be indicated separately (see point 49).

**49. Administrative / Financial Co-ordination costs**

Project co-ordinators may be required to perform considerable administrative / financial co-ordination tasks directly related to the co-ordination of the project and to incur the associated costs. Such costs will be considered as eligible costs only for the co-ordinator (in case of split between scientific/technical and financial/administrative co-ordination, only for the financial/administrative co-ordinator). Co-ordination costs may include costs falling under the other categories of costs, except subcontracting. They may cover in particular:

Personnel: remuneration of administrative and clerical personnel for performing co-ordination tasks for a specific project.

Durable equipment, consumables and computing: expenditure used strictly for co-ordination purposes in the project.

Travel and subsistence: costs of administrative and clerical personnel performing co-ordination tasks specific to the project.

Knowledge protection: costs related to the protection of knowledge specific to the project.

Other specific costs: project specific co-ordination costs other than those charged under the categories mentioned above.

The co-ordinator may decide not to indicate the direct co-ordination costs in row 49, and include them instead in the overhead costs (see note 48). As far as administrative or financial coordination is subcontracted, the related costs can only be considered as indirect costs.

Costs for co-ordination of clusters of projects will normally be covered by a specific contract when clusters have been decided after the evaluation of proposals and should normally not be foreseen at the proposal stage in this cost category.

**50. Total co-ordinator costs**

The total costs of the project co-ordinator for the scientific/technical tasks and the administrative / financial co-ordination task (i. e. the sum of the two rows above).

**51. Participant short name**

The short name chosen by the participant in this proposal from form A3.

**52. Number of person/months**

Total number of person-months for the participants.

**53. Personnel costs**

Labour costs for the participant (including consultants ‘intra-muros’), but excluding overheads and labour costs of subcontractor(s). For RTD projects, only the costs of the actual hours worked by the persons directly carrying the scientific and technical work under the project may be charged to the contract; subject to the contractual terms, costs of freelancers directly engaged by the participant for the projects may be considered as eligible costs. Administrative and secretarial staff <u>must</u> not be charged directly (except for the administrative co-ordination costs of the co-ordinator, see note 49), but should be included in the overhead costs. Examples of personnel categories that can be charged to the projects are: scientist, engineer, technician, etc.
Organisations that work on the additional cost participation basis (see notes 62 and 64), can only charge for scientific and technical personnel temporarily employed specifically for the project. Personnel costs paid from the recurrent budget (i.e., for permanent personnel) cannot be charged.
*For specific programme INCO see Annex 4 of Appendix 1.*

**54. Durable equipment**

Cost of equipment purchased or leased to buy for the purpose of the project. The amount you can charge to the project is calculated in the following way:

(A/B) x C x D

where:

A. = the number of months that the equipment is to be used in the project, after the date of its invoicing;
B. = the depreciation period (for computer equipment that cost less than EUR 25,000, the depreciation period is 36 months; for all other equipment, the depreciation period is 60 months);
C. = the actual cost of the equipment;
D. = the percentage usage of the equipment in the project expressed as a fraction of 1 (e.g. 70% corresponds to 0.7).

Costs for durable equipment may be eligible if the equipment has been purchased or leased (i) within 6 months before the starting date of the project, or (ii) for the performance of a contract previously concluded with the Community and provided that the depreciation period has not lapsed. In the last case, the eligible costs will depend on the length of the remaining depreciation period. (see Section III of the Guide for Proposers).
Note that costs related to rented equipment should be charged under "Subcontracting" (column 58).
*For the specific programme INCO see Annex 4 of Appendix 1.*

**55. Consumables**

According to the usual practises of the participant, these costs may be included in overhead costs for contractors using the full cost, actual overhead rate model. Otherwise, the amount for consumables can be entered here.

**56. Travel and subsistence**

The amount for travel and subsistence costs of personnel categories working for the project, calculated on the basis of the usual practices of the participant. The prior agreement of the Commission will be required at the contract stage for any destination outside the territory of a Member State, an Associated state or a third country where a principal contractor or assistant contractor is established.

**57. Computing**

The costs for using own computing facilities or services (to be established in accordance with usual applicable rules, including, for instance, recorded computer usage).
For full cost participants charging actual overhead rates, such costs may, in accordance with the usual practice of such participants, be charged as part of the overheads.

**58. Subcontracting**

Costs for all subcontracting specific to the project (goods, supplies and services). Such costs must be in accordance to usual market costs.

**59. Subtotal part 1/2**

The sum of the cost categories in columns 53 to 58. The sum is transferred to page 2/2.

**60. Other specific costs**

Other significant specific project costs necessary to carry out the research, and which do not fall under any of the other defined cost categories or under overheads, may be charged under this category. Costs under this category will be subject to prior written agreement from the Commission at the contract stage.

**61. Protection of knowledge and facilitation of knowledge exploitation**

The costs for intellectual property right (IPR) protection (e.g., patents) may be considered eligible costs. Such costs must have been foreseen in the project proposal and in particular, in the plan for dissemination and exploitation. They must also be incurred during the project period, and they must satisfy the basic cost eligibility terms and conditions of the contract. Costs under this category will be subject to prior written agreement from the Commission at the contract stage.

**62. Overhead costs**

Overheads are intended to cover general indirect costs needed to employ, manage, accommodate and support directly or indirectly the cost of personnel performing the work on the project. Overheads should primarily relate to on-site infrastructure and RTD support services of the cost centre (that is, the department carrying out the work in the project) and must exclude those items chargeable separately as direct costs. Overheads calculation and allocation must be justified.

Please note that certain items cannot be charged either in direct costs or indirectly in overheads, for instance costs such as: any interest or return on capital employed; provisions for possible future losses or charges; interest; provisions for doubtful debts; contributions in kind; unnecessary or extravagant expenses; marketing, sales and distribution costs for products and services; indirect taxes and duties - including VAT; resources made available to the organisation free of charge; any cost incurred in respect of another project (subject to note 54) or, reimbursed by third parties.

Co-ordinators can choose to include the costs of the administrative / financial co-ordination of the project in the overhead costs.

The method of recovery of general indirect costs depends on the cost model under which your organisation will participate. Note 64 sets out the contribution percentage payable by the Commission. The available cost models are as follows:

**Full Cost, actual overhead rate (FC) model**:

This model applies to organisations, which have an accounting system that allows the share of their direct and indirect costs relating to the project to be distinguished. For these organisations, overheads are calculated according to the organisation's normal practice and on a basis considered reasonable by the Commission. They may be charged in full.

**Full cost, Flat overhead rate (FF) model**:

This model applies to organisations, which may participate on a FC basis but choose to charge the overheads on a flat rate basis (80% of the eligible personnel costs). It also applies to organisations which have an accounting system that allows the identification of the direct costs relating to research, including their permanent personnel, but which cannot identify overheads with a sufficient degree of precision.

**Additional Cost (AC) model**:

This model applies to organisations, which do not have an accounting system that allows the share of their direct and indirect costs relating to the project to be distinguished. The extra costs, incurred as a result of their participation in the project are identifiable (i.e., additional, non-recurrent costs). An example of additional costs, would be the costs of the temporary personnel engaged specifically to perform work on the project, but not the personnel costs charged to the organisation's recurrent budget. These organisations may charge up to 20% of all direct cost categories, except subcontracting, as overheads.

**63. Total costs**

The sum of all the cost categories.

**64. Percentage requested from the Community**

The percentage of the total cost requested by each participant from the European Community for this project. The percentage, which can be requested from the European Community, depends on the funding model used by the organisations, the type of project and the country of the participant.

Organisations using the full cost model or the full cost, flat overhead rate model can request up to 50% of the total eligible costs for research projects and up to 35% of the total eligible costs for demonstration projects.

Organisations using the additional cost model can request at 100% of the total additional eligible costs for the project, irrespective of whether it is a research or demonstration project.

As a rule, EC contributions can only be requested by participants from Member States and Associated States. For participants from countries, which do not qualify for EC Contribution, the percentage for EC contribution is set to zero (0).

For cases where participants from other countries may receive EC Contribution, please refer to the relevant Guide for Proposers for details on which countries can receive EC contribution.

*For specific programme INCO see Annex 4 of Appendix 1.*

Please keep in mind that the percentage may need to be adjusted in individual cases to comply with the Community Framework for State Aid for R&D (O.J. C 45, 17.2.1996) and with article 8 of the WTO Agreement on subsidies and countervailing measures (O.J. L 336, 23.12.1994).

This implies that other public funding for the proposed project, already obtained or which will be requested from other public funding sources, added to the financing requested from the Community Research Programme, does not exceed the ceilings provided in the aforementioned texts.

**65. Requested contribution from the Community**

The contribution requested from the Community in euro, calculated as the product of the multiplication of the total estimated eligible costs by the percentage requested.

**66. Total**

The sum of each cost category from the rows above including row 50, total co-ordinator costs, but not row 48 and 49.