

Webinar on ERA-NET Cofund Reporting

6 October 2020

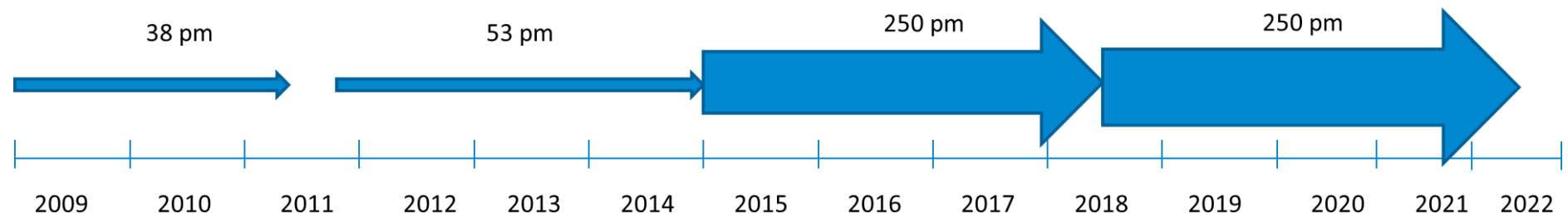
Introduction to ERA-LEARN

Who we are and what we do

ERA-LEARN: 10 years of support for Partnerships

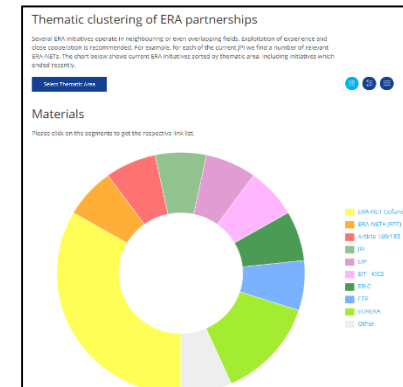
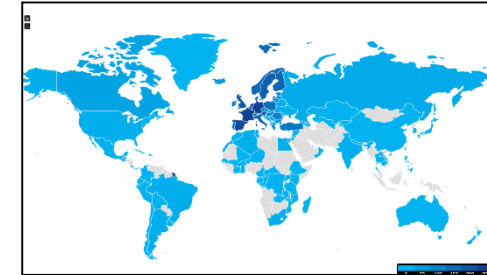
- consortium of funding organisations and analysts
- supporting the Partnerships community since 2009
- expanding ... from ERA-NET (FP7) to JPI ...
... to Horizon 2020 ERA-NET Cofund and EJP ...
... to Horizon Europe European partnerships ...
- expanding our efforts
from a 38 pm project in 2009
to a 250 pm project in 2018

	Country	Organisation	Organisation long
1	(AT)	FFG	Austrian Research Promotion Agency
2	(AT)	AIT	Austrian Institute of Technology
3	(DE)	DLR	DLR Project Management Agency
4	(DE)	VDI/VDE-IT	VDI/VDE Innovation + Technik GmbH
5	(FI)	AKA	Academy of Finland
6	(IT)	MIUR	Ministry of Education, University and Research
	(IT)	CNR	CONSIGLIO NAZIONALE DELLE RICERCHE
7	(NO)	RCN	Research Council of Norway
8	(UK)	OPTIMAT	Optimat Ltd
9	(UK)	UNIMAN	Manchester Institute of Innovation Research
10	(GR)	AMANATIDOU	Amanatidou Efthymia
11	(PL)	NCN	National Science Centre

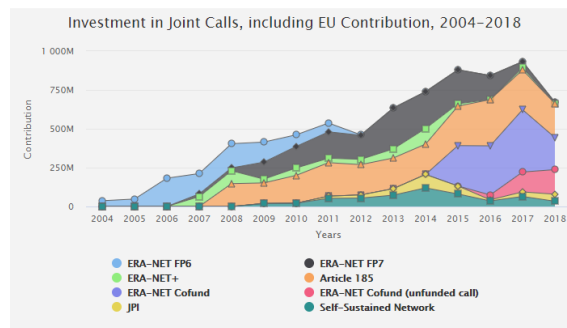


ERA-LEARN: service provider

- central information hub: the ERA-LEARN portal www.era-learn.eu
- databases:
 - networks, countries, organisations
 - joint calls, funded projects
 - thematic information
- good practice examples: activities beyond joint calls
- guidance material & toolkits
 - support impact assessments –RIPE toolkit
 - identify and spread good practise for specific common challenges (e.g. widening and inclusiveness, internationalisation)



Facts and figures



R&I Partnership Evaluation (RIPE) Toolkit



Joint Activities

Next to the implementation of joint calls, a variety of joint activities are carried out by the different P2P-consortia. ERA-LEARN introduces categories of these activities and illustrates these with examples from different P2P-networks.

ERA-LEARN: facilitator

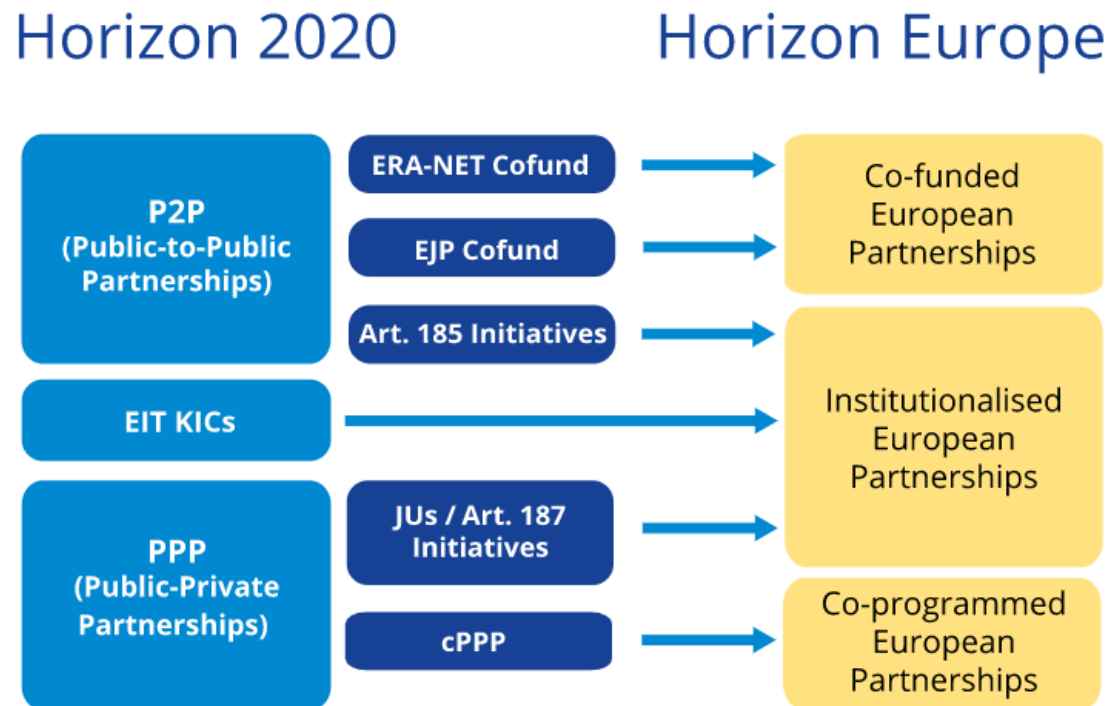
interaction with the Partnerships community:

- events
 - annual large events since 2009
 - training workshops on specific issues
- monthly news alert
- country reports
- annual report on partnerships



ERA-LEARN: main goals 2018-2022

- support the transition of Partnerships from Horizon 2020 to Horizon Europe:
 - interact closely with the Partnerships community and facilitate a dialogue among stakeholders
 - support the Partnerships community with evidence in view of Horizon Europe



Visit the ERA-LEARN Portal

<https://www.era-learn.eu>

ERA LEARN

HOME ABOUT CONTACT NEWSLETTER Twitter Search ...

Partnerships in a Nutshell Explore Partnerships Support for Partnerships Documents News and Events

PLAN

IDEA

DEVELOPMENT

LAUNCH

Support for Partnerships

ERA-LEARN supports the community of research and innovation partnerships with a broad variety of good practice examples and tools. For more than 10 years, we have acquired know-how and experience within the partnership community to develop a set of manuals and recommended procedures for the implementation of calls and other joint endeavours.

Read more

Scope of this workshop

Scope of this webinar: ERA-NET Cofund Final Reporting

We will present & discuss:

- ERA-NET Cofund reporting to EC on eligible costs
- Certificate on the Financial Statement (CFS)
- Practical aspects and lessons learned so far

We will NOT discuss:

- x internal financial management → to be covered by your Consortium Agreement (black box)
- x in-kind/institutional ERA-NET Cofund
- x non-eligible costs (e.g. calculation of personnel costs, etc.)

ERA-NET Cofund Reporting: EC view & expectations

Webinar on ERA- NET Cofund Reporting

#HorizonEU

06 October 2020



ERA-NET Cofund MGA – forms of costs

A. direct costs related to trans-national projects

A.1 Direct costs of providing financial support to third parties implementing trans-national projects

A.2 Direct costs for the implementation of trans-national projects by the beneficiaries

A.2.1 Direct personnel costs for the implementation of trans-national projects by the beneficiaries

A.2.2 Direct costs of subcontracting for the implementation of trans-national projects by the beneficiaries

A.2.3 Other direct costs for the implementation of trans-national projects by the beneficiaries

ERA-NET
"cash"

ERA-NET
"in-kind"

B. direct coordination costs for of additional activities (unit cost)

C. indirect costs (25% flat rate) (excluding support to third parties, subcontracting etc.)



Certificate on the Financial Statement for ERA-NET Cofund

Overview

- Certificate on the Financial Statement for ERA-NET Cofund
 - **When is a Certificate on the Financial Statement (CFS) in ERA-NET Cofund needed?**
 - **Are the costs for the CFS in ERA-NET Cofund eligible?**
 - **How to include the CFS in the financial part of the periodic report?**
 - **Should there be one or several conversion rates used for costs incurred in a currency other than the euro?**
 - **Which template is the right one for the CFS?**
 - **Terminology and Details on the factual findings**
 - **Links**
- Takeaways from final reporting – feedback from EC Project Officers

When is a Certificate on the Financial Statement (CFS) in ERA-NET Cofund needed?

Need for CFS:

Article 34 of Horizon 2020 Rules for Participation (RfP) - a CFS is needed if EU costs are over 325.000 EUR

Unit cost are also included in this ceiling, however only those that are mentioned in Article 33(2) of RfP

Unit costs for ERA-NET Cofunds were calculated based on RfP Article 33(1).a - statistical data or any other objective means

For ERA-NETs, a CFS is needed if the EU contribution to the financial support to third parties is over 325.000 EUR, excluding unit costs

In practice that means:

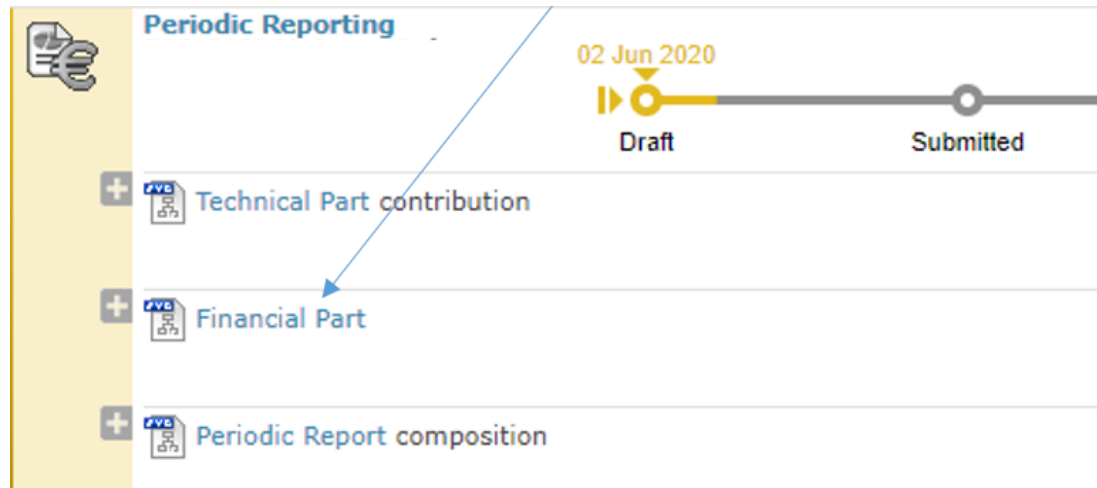
The black box and any internal arrangement within the consortium do not count towards a CFS. Whatever each beneficiary declares as their costs will be what will count towards a CFS.

A CFS is required for each beneficiary who is eligible for more than 325.000 EURO EC funding which means when more than 984.849 € were spent for transnational projects = Direct costs for providing financial support for third parties related to trans-national projects

Are the costs for the CFS in ERA-NET Cofund eligible?

For cash-based ERA-NET Cofund the practical answer is “NO”, even in case of a mandatory CFS. Therefore, in practice, any costs of producing a mandatory CFS should be covered by the respective funding organisations or by an internal agreement among the consortium.

How to include the CFS in the financial part of the periodic report?



To obtain the draft financial statement for the final periodic report, beneficiaries should go to the Portal Grant Management Service, draft the Financial Statement and lock for review. A pdf document is generated with the draft. The Financial Statement can be then unlocked by the Project Financial Signatory at any time for the upload of the CFS.

The screenshot shows the 'Financial Statement' form. At the top right, there is a 'SAVE' button. Below it, there is a section for 'Financial information from contract' with a sub-section 'No contribution requested?' and radio buttons for 'Yes' and 'No'. Below that, there is a section for 'Financial Certificate' with a sub-section 'Certificate on the Financial Statements' and radio buttons for 'Yes' (selected) and 'No', along with an 'Upload' button. At the bottom, there are input fields for 'Name of the Auditor' and 'Cost of Certificate'. There is also an 'Export Use of Resources to PDF' button.

One or several conversion rate for costs incurred in a currency other than the euro?

Answer by Legal and financial helpdesk:

According to the ERA-NET Cofund MGA (Article 20.2), the action is divided into several reporting periods, and costs incurred in a currency other than the euro must be converted into euro at the average of the daily exchange rates calculated over the corresponding reporting period (Article 20.6).

Therefore, considering that Article 20.4 establishes that;

“The coordinator must submit the final report within 60 days following the end of the last reporting period.

The final report must include the following:

(...)

(b) a ‘final financial report’ containing:

(i) an ‘individual financial statement’ (see Annex 4), from each beneficiary [and from each linked third party], for all reporting periods.”

then the **corresponding reporting period for the purpose of the conversion into Euro has to be understood as the whole duration of the grant.**

Which template for a CFS?

[Annex 5 of the Grant Agreement: Model for the certificate on the financial statements](#)

Section F is related to the [costs providing financial support to ERA-NET Cofund Third Parties](#) meaning the final beneficiaries of trans-national projects selected in the co-funded call.

Section G is related to the direct coordination costs of additional activities and shows the auditor how to verify the [number of units claimed](#) under unit costs.

Download Link:

http://ec.europa.eu/research/participants/data/ref/h2020/gm/reporting/h2020-tpl-annex5-cfs_en.docx

Annex 5 – Financial Support to third parties – 70-76

F: For ERA-NET COFUND actions:

COSTS FOR PROVIDING FINANCIAL SUPPORT TO ERA-NET COFUND THIRD PARTIES

To confirm standard factual finding 70 in the next column, the Auditor obtained the list of final beneficiaries for which costs have been claimed and traced it to the initial projects' proposals.

To confirm standard factual findings 71-73 listed in the next column, the Auditor reviewed the following documents provided by the Beneficiary:

- the acceptance of grants' forms;
- the agreements between the Beneficiary and the final beneficiaries;
- an overview of any ex-post audits carried out on the costs declared by the final beneficiaries;
- and the expense claim forms submitted by the final beneficiaries;

To confirm standard factual findings 74-76 listed in the next column, the Auditor obtained from the Beneficiary proofs of payment to final beneficiaries and respective underlying documentation (grant agreements and the corresponding deliverables, particularly financial reports).

70) The final beneficiaries for which costs have been claimed are those foreseen in the projects' proposals.

71) The final beneficiaries have signed the acceptance of grants' forms.

72) Reimbursements to the final beneficiaries were based on valid expense claim forms submitted before the payments.

73) No discrepancies exist between the sum of the claim forms and the costs claimed by project.

74) The totality of financial support was distributed to the final beneficiaries.

75) The amounts of financial support to final beneficiaries reconcile with the ones set forth in the Annex 1 to the grant agreement.

76) Payments to final beneficiaries are based on the corresponding grant agreements and subject to the analysis of the appropriate deliverables.

Annex 5 – Additional Activities – 77 - 80

G: For ERA-NET COFUND actions:

COSTS FOR DIRECT COORDINATION COSTS OF ADDITIONAL ACTIVITIES

To confirm standard factual findings 77-80 listed in the next column, the Auditor:

- verified that the beneficiary do no implement, partially or fully, the transnational project under audit;
- obtained an understanding of the additional activities carried out;
- gathered supporting documents, such as meeting minutes, participants lists, presentations given and reports produced during/after the meetings;
- obtained the annual programs for additional activities for each year under review;
- reviewed Annex 1 of the ERA-NET grant and the progress reports.

- 77) The Beneficiary does not implement itself the transnational project under audit and it has not reported any direct costs for the implementation of that project.
- 78) The additional activities programmed for each year under audit were carried out in full during the year.
- 79) The number of unit equals the period during which additional activities were carried out, with the period formatted as years.
- 80) The claimed amount equals the number of units x EUR 29.000.

Terminology and Details on the factual findings

Terminology:

“final beneficiaries” refers to the end beneficiaries of projects co-funded by an ERA-NET cofund network.

“acceptance of grant form” refers to the signature of grant agreements or any other type of similar legally binding document at National level.

Overview for the following pages:

- Standard Factual Finding Nr. 70
- Standard Factual Finding Nr. 73
- Standard Factual Finding Nr. 75
- Standard Factual Finding Nr. 76
- Standard Factual Finding Nr. 78

Annex 5 - Financial Support to third parties – Standard Factual Findings 70 - Annotations

Standard Factual Finding Nr. 70

Text in Annex 5: The final beneficiaries for which costs have been claimed are those foreseen in the projects' proposals.

Annotation EC: If any changes are happening during the lifetime of a project, they will certainly be recorded at the level of each national funding body / agency. This allows the auditors to trace back to the original situation when the grants were signed. By instructing the auditors to report any changes to what had been foreseen in the projects' proposals, we ensure that this information reaches the EC services.

Annex 5 - Financial Support to third parties – Standard Factual Findings 73 - Annotations

Standard Factual Finding Nr. 73

Text in Annex 5: No discrepancies exist between the sum of the claim forms and the costs claimed by project.

Annotation EC: If there are differences between the costs claimed, both the national and Horizon 2020 rules are clear and can be consulted by auditors.

We confirm besides that the procedure will check consistency between the claims submitted to the EC and those originally submitted by the final beneficiaries, adjusted according to the findings of ex-post audits carried out on the final beneficiaries (if any).

Annex 5 - Financial Support to third parties – Standard Factual Findings 75 - Annotations

Standard Factual Finding Nr. 75

Text in Annex 5: The amounts of financial support to final beneficiaries reconcile with the ones set forth in the Annex 1 to the grant agreement.

Annotation EC: Typically after the implementation of each ERA-NET Cofund joint call there is an amendment implemented to adjust the amounts initially foreseen to the ones that are the result of the evaluation.

We wish to clarify that the procedure at stake refers to the individual amounts paid to each third party, not to the consolidated amount estimated in Annex 2. In practice, Annex 1 of ERANET grant agreements contain a section where is specified the maximum amount of financial support to a third party and the criteria for determining the exact amount under national funding rules. The reference to Annex 1 is therefore correct.

FAQ on Standard finding n°75

FAQ ID 13702 : Which amounts of financial support to ERA-NET cofund third parties are checked in the Certificate on the Financial Statement (CFS)?

In the CFS for H2020 ERA-NET Cofund grant agreements, the standard factual finding n°75 checks that the amounts of financial support to final beneficiaries reconcile with the amounts set forth in the Annex 1 to the grant agreement (i.e the description of the action). This check is a reconciliation between the actual payments to third parties, i.e. to end beneficiaries of projects co-funded by an ERA-NET cofund network, and the individual amounts for each third party foreseen in Annex 1 of the grant agreement, more precisely in the section where is specified the maximum amount of financial support to a third party.

For more information on the CFS, see Article 20.4 of the Grant Agreement, the additional information contained in the Annotated Model Grant Agreement, and Annex 5 of the Grant Agreement.

Annex 5 - Financial Support to third parties – Standard Factual Findings 76 - Annotations

Standard Factual Finding Nr. 76:

Text in Annex 5: Payments to final beneficiaries are based on the corresponding grant agreements and subject to the analysis of the appropriate deliverables.

Annotation EC: National rules might vary and, as correctly stated, might not exclusively mean acceptance of deliverables.

Annex 5 - Coordination Costs – Standard Factual Finding 78 – Annotation

- examples of supporting documents mentioned on section G.1 are valid
- refer to any proof that the foreseen action has indeed been implemented

Standard Factual Finding Nr. 78

Text in Annex 5: The additional activities programmed for each year under audit were carried out in full during the year.

Annotation EC: In full here means – all actions for each beneficiary. For some this might mean a heavier workload, for others less so. Again, in line with what was foreseen.

We are not stating that the existence of changes is in itself an issue entailing additional measures by the Commission. Namely, the existence of changes does not necessarily have financial impact. By requesting the auditors to carry out these verifications, we are merely aiming at ensuring the completeness of the information available to the Commission services, who will then decide on the appropriate follow-up (if any).

Links

- **Information concerning ERA-NET Cofund:** <https://www.era-learn.eu/support-for-p2ps/cofunded-p2p/era-net-cofund>
- **FAQs:** https://ec.europa.eu/research/participants/docs/h2020-funding-guide/cross-cutting-issues/era-net_en.htm
- **General Information on Reporting:** https://ec.europa.eu/research/participants/docs/h2020-funding-guide/grants/grant-management/reports_en.htm
- **Research enquiry Service:** https://ec.europa.eu/info/research-and-innovation/contact/research-enquiry-service-and-participant-validation_en



Takeaways from final reporting – feedback from EC Project Officers

Final reporting – impressions from Project Officers

- Mixed experiences from the first couple of final reports submitted to EC
- Difficulty of the exercise depends very much on the experience of the Project Coordinator
- Shows the importance of dissemination events as this webinar
- Future reporting exercises expected to improve

ERA-NET Cofund Reporting in Practice

Practical Details and Lessons Learned

Reporting: general conditions

Continuous Reporting: Deliverables to be uploaded and submitted

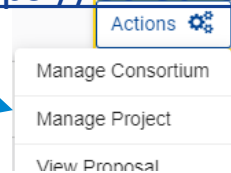
Final (periodic) Report:

- Reporting Session (Funding & Tenders portal) opens after the project end date & will be open for 60 days
- The final report consists of:
 - a) a technical report: 1 report for the consortium; template provided in the portal
 - b) a financial report: all beneficiaries have to submit their electronically signed financial statements
 - only eligible costs shall be inserted:
 - only eligible funding (both EU and national/regional funding) for transnational projects funded from the cofunded call (no structural funds, no loans, no non-eligible third countries)
 - number of units = number of years in which the beneficiary was involved in additional activities
 - a CFS is required if a beneficiary is eligible for more than 325.000 € EC funding = if more than 984.849 € were spent by the respective beneficiary for transnational projects funded from the cofunded call (325.000 = 33% ... 984.849 = 100%)



How to report costs in the funding tenders portal (I)

- Log in & select your projects at <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/myarea/projects>
- click on "Manage Project"



- Technical Part includes the uploaded technical report, summary, gender table, risks table, etc.
- Open the financial statement
- Please note: ALL consortium members must submit this form, even if not participating in the co-funded call or not requesting unit costs. In these cases the amount to insert is ZERO.

How to report costs in the Funding & Tenders portal (II)

Fill in financial statements (note: either each beneficiary complete their own form OR the coordinator does it for all beneficiaries –to be agreed by consortium):

- insert total transferred funding for the transnational projects (including EC top-up)
- insert number of units (= number of years in which you contributed to additional activities)
- those eligible for >325.000 EURO EC funding: upload the CFS

Financial Statement

Financial information from contract

No contribution requested? Yes No

Financial Certificate

Certificate on the Financial Statements Yes No

Financial Statements

Period	Adjustment	Requested Contribution
30 Jan 2015 - 29 Apr 2020	No	1,468,737.60 €

Financial Statement (30 Jan 2015 - 29 Apr 2020)

Eligible costs: The amount of Total Contribution requested entails that a Certificate of Financial Statements must be provided.

Cost Category	Unit Cost	Number of Units	Subtotal	Total	Actions
a) Direct costs of providing financial support to third parties related to trans-national projects				4,269,470.00 €	
b) Direct personnel costs declared as actual costs				0.00 €	
c) Direct personnel costs declared as unit costs (average costs)				0.00 €	
d) Direct costs of subcontracting				0.00 €	
e) Other direct costs				0.00 €	
g) Costs of internally invoiced goods and services				0.00 €	
▼ h) Direct coordination costs of additional activities				145,000.00 €	
h1) coordination costs of additional activities	29,000.00 €	x 5.00 =	145,000.00 €		
i) Indirect costs (= 0.25 * (b + c + e + g + h - o))				36,250.00 €	
j) Total costs (= a + b + c + d + e + g + h + i)				4,450,720.00 €	
k) Receipts				0.00 €	
m) Maximum EU contribution (= 33% * j)				1,468,737.60 €	
n) Requested EU contribution				1,468,737.60 €	

Financial Certificate

Certificate on the Financial Statements Yes No

Name of the Auditor

Cost of Certificate

How to report costs in the funding tenders portal (III)

- click “Lock for review”. This will generate a notification to the FSIGN (financial signatory).
- the FSIGN has to click “SIGN & SUBMIT”

The screenshot displays the 'Periodic Reporting' interface. At the top, it shows the title 'Periodic Reporting' and the reference 'REP-646039-2 - period 30/01/2016 > 29/04/2020'. A progress bar indicates the current status is 'Draft', dated '02 Jun 2020', with subsequent stages being 'Submitted', 'Observations', and 'Paid'. Below the progress bar, a list of documents is shown:

- Technical Part contribution (with a 'Lock for review' button)
- Financial Statement FFG[PIC 999507207] signature and submission to Coordinator (with 'Unlock to draft' and 'Sign & Submit to CO' buttons)
- Periodic Report composition (with an information icon)

At the bottom, there are three main sections: 'Process documents', 'Process communications', and 'Process history'.

Recommendation: reporting guidelines for consortium

- clear instructions: reporting responsibilities, details & deadlines
- step-by-step tutorial with screenshots
- clear instructions concerning CFS: who is obliged and how to do
(link to CFS-Model: http://ec.europa.eu/research/participants/data/ref/h2020/gm/reporting/h2020-tpl-annex5-cfs_en.docx)
- Horizon 2020 online manual final report: https://ec.europa.eu/research/participants/docs/h2020-funding-guide/grants/grant-management/reports/final-report_en.htm

- consider a written document & online meetings dedicated to reporting

Practical example CFS: documents requested by the auditor

Financial support to Third Parties:

- Proposals of the transnational projects
- Contracts with final beneficiaries (research groups) – signature pages
- Reports of the transnational projects
- Assessment reports from the Funding Agency
- Booking journal
- Proof of payment

Additional activities

- Annual report of additional activities
- Proof for participation/attendance (such as e.g. deliverable, participant list, meeting agenda/minutes, boarding pass, workshop report, etc.)

Practical challenges experienced

- **Internal rules** e.g. concerning the distribution of funding are defined in the Consortium Agreement (= black box) and are **not relevant** for the reporting to EC.
- Some beneficiaries face difficulties distinguishing between **reporting to EC on eligible costs** and **internal reporting** (=black box); example: while it may have been agreed internally that a beneficiary receives more EC top-up to fill gaps in the ranking list the requested funding when reporting to EC is limited to 33% of the eligible costs.
- Beneficiaries mix up **eligible and non-eligible costs**, e.g. the funding for projects selected in a non-cofunded call, the use of structural funds, personnel costs.
- **External auditors** contracted to prepare a CFS are not familiar with the ERA-NET Cofund scheme which means high efforts to explain the scheme and details on costs to be certified: number of units (direct coordination costs for additional activities) and direct costs of providing financial support to third parties
- Applying a **wrong exchange rate**; an average daily rate must be used available on the following website: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-gbp.en.html. The average rate is displayed when selecting the ERA-NET Cofund start date and end date. It is recommended to provide a screenshot to the auditor.

Lessons learned

- Coordinators should closely monitor the funding paid to the transnational research projects selected in the cofunded call since the overall EC contribution will depend on the total national funding; also, total unit costs are limited to max 20% of the total EC contribution. Annual updates of transferred funding are anyway required to prepare the deliverable “Report on cumulative expenditure”.
- CFS obligations should be discussed at an early stage with the relevant partners (i.e. those expecting high costs) to ensure that the necessary documentation will be available at the time of the audit.
- As a final step, the consortium has to formally accept (in the EC portal) the payment of the balance, even if it is exactly the requested amount.
- Detailed records of units and for each unit a concrete “proof”, e.g. workshop agenda, call announcement, mails, authors of a document, etc... throughout the entire ERA-NET Cofund duration.
- Make sure that all partners allocate a PFSIGN when the reporting session opens and that they will be available to submit their financial statements during the correct time window.
- Some consortia recommend a yearly internal technical report. This allows having a very good follow-up on the implemented activities and is very helpful for writing the final technical periodic report.
- The consortium members need **clear instructions and enough time to report – start early!**

Thank you.