



Platform of bioeconomy ERA-NET Actions

(H2020 Grant number 652635)

REPORT

**Master Class on ERA-NET planning and management,
June 25th-26th, 2015, Brussels**

Organised by WP1 - Practice: Efficient, effective, and inclusive
organisation of ERA-NET activities

| Use of Terminology | |
|----------------------------|--|
| <i>Allocated funds</i> | Funds that are reserved for an ERA-NET call in the preparation stage. |
| <i>Requested funds</i> | Funds that are requested by the applicants in their proposals. |
| <i>Committed funds</i> | Funds that are reserved for projects in an ERA-NET call after final negotiations have been finished. |
| <i>EU top-up funds</i> | European Union funds that are added to the national funds for transnational research projects. |
| <i>Consortium partners</i> | All the partners in an ERA-NET network. |
| <i>Funding partners</i> | The organisations involved in funding a joint call. |
| <i>Applicants</i> | Researchers that apply for funding in an ERA-NET call. |
| <i>Black box</i> | Refers to the approach in which the consortium may decide to use part of the Union contribution to support activities related to the internal management of the ERA-NET as long as the corresponding costs are not declared as eligible and the Union contribution does not exceed 33% of partners' funding of transnational projects and unit costs for additional activities. This means in practice that the consortium has to replace any Union contribution beyond the amount for the unit costs that is also used to support their internal management and additional activities with additional national contributions to the funding of trans-national projects. |
| <i>Unit costs</i> | Additional EU contribution to coordination costs of additional activities, with a maximum of 20% of the total Union contribution to the project. Per year per partner taking part in additional activities one unit can be claimed. One unit stands for EUR 29 000 for direct coordination costs of additional activities. With a flat rate of 25 % added for indirect costs and multiplication by the reimbursement rate of 33 % a unit yields EURO 11 962.50. |
| <i>Purple box</i> | Refers to the approach in which for the internal management of an ERA-NET Cofund the unit costs are redistributed among the partners of a consortium and among the activities. EU funds can thus be used to cover the costs for labour for managing the activities associated with running the co-funded call and for the additional activities. The term 'purple box' was coined in the Master Class to distinguish the reshuffling of unit cost resources for internal management among partners from the replacement of EU funds with national funds for research projects. |

**Report of the Master Class on ERA-NET planning and management,
25th – 26th June 2015, Brussels**

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1. Welcome and Introduction

Welcome by Christine Bunthof with an introduction of PLATFORM and the Master Class. Most of the participants are managing ERA-NETs from FP7-KBBE - FP7 Specific Programme 'Cooperation' - Research Theme: 'Food, agriculture and fisheries, and biotechnology' and from Horizon 2020 Societal Challenge 2: Bioeconomy. Others are from so-called neighbouring ERA-NETs. Sharing results, barriers and solutions will enhance the network and bring more knowledge together. Following the welcome a tour de table gave participants the opportunity to introduce themselves and to bring forward topics of interest they wish to learn more about in this Master Class. There is a shared wish to exchange information and benefit / learn from each other – especially among those participants new to ERA-NET management. Other topics that were mentioned are: the Framework Partnership Agreement (FPA); building an in-kind call with an ERA-NET; additional activities and related unit costs and find out more about financial management and especially the black box workings.

Ulla Sonne Bertelsen introduced the **general structure of the Master Class:**

- 1) **CASE.** By one person appointed based on answers of the questionnaire.
- 2) **SHARING.** Round table in which the participants share their working methods and experiences.
- 3) **MODELS.** The practices are summarised into a limited set of models.
- 4) **DISCUSSING.** To get more insight in the differences, the advantages and disadvantages, the applicability and cost-effectiveness of the approaches.
- 5) **CONCLUDING AND RECOMMENDING.** Concrete conclusions and recommendations from the group.

and emphasises the importance of mutual exchange and learning. Each agenda item is introduced with a case presentation by one of the ERA-NET managers. This was followed by a round of questions which led to discussions, and further exchange of information and ideas. The chair rounded up each session with either a presentation of best cases / recommendations or a set of possibilities each ERA-NET manager can choose from. In the reporting format, the items 'SHARING', 'MODELS' and 'DISCUSSING' are grouped in 'EXCHANGE'.

Word from PLATFORM's Project Officer: Barna Kovacs

PLATFORM is supported by the Commission as it is essential to develop a clear view on what kind of research is happening and needed in the different Member States, how priorities are established and whether or not there is accidental duplication of efforts. Just as important is getting a clear idea on what Member States need from the Commission to work together more efficiently and effectively.

PLATFORM, bringing together all ERA-NETs in the Bioeconomy, is a valuable communication partner for the Commission for these reasons. Here is where partners exchange information, and learn from each other. As such, they are able to share their experiences with EU (financial) instruments. Instruments that are developed to enable cooperation, not hamper it. So do share and report back! Other bodies such as SCAR are following the work of PLATFORM as well. The Project Officer acts as channel for communicating information.



2. Optimal use of funds

Practical management to decrease imbalances in funds and include all funders

CASE: CORE Organic Plus, *Presented by Ulla Sonne Bertelsen*

Maximal use of available funds is very important in ERA-NETs. It creates high satisfaction for the involved funding bodies and optimal involvement of all the partners. It is considered good practice to balance the use of the EU top-up funds between a real common pot and distributing it proportionately over the participating Member States. Pre-distribution of EU top-up funds might encourage countries to add more funds, while the real common pot enables gap filling and thus selecting more projects and a higher overall use of allocated funds. Apart from that, too low spending might decrease the amount of EU top-up funding.

CORE Organic started in 2004 and currently brings together 20 countries. Since 2004, the ERA-NET has (in different configurations of partners) funded 34 projects. The latest call was a Plus call included four sub-calls and brought together available national funds ranging between €100.000 and €1.770.000. Nine funders could contribute €200.000 or less, meaning the available funds were unbalanced across the participating countries. There are options available for ERA-NETs to distribute the EU top-up funds as balanced as possible. ERA-NETs can apply mechanisms to deal with oversubscription. They can plan on how to handle it already in the Consortium Agreement (preferred), or deal with issues *ad hoc*. At three stages: preparation before a call is launched, the preproposal stage and the full proposal stage, it is relevant to evaluate if and how available funds match the expected requested funds. Working methods to maximise use of available national funds in CORE Organic Plus:

Preparation stage: The ERA-NET project manager compared the amount of available funds allocated by each country to the amount requested by the preproposal applicants in the previous big call. Some countries with historic overwhelming interest from researchers and relatively low available funds were urged to restrict themselves in the number of sub-calls eligible for their applicants. One of these countries managed to raise the funds and joined more sub-calls. The affected funding bodies agreed to the restrictions without the need for Government Board involvement. The intervention clearly diminished the degree of oversubscription and balanced the distribution of cascading funds.

Preproposal stage: After the selection of preproposals it was clear that some countries had an oversubscription of requested funds compared to available funds. There were no rules agreed on beforehand, but funding bodies having an oversubscription above 3 times were asked to consider adding extra available funds, requesting reduction in budget per project or withdrawing from a project if the task was minor. One country withdrew from a project.

Some countries were at high risk of not being able to use their available funding (subscription factor of 1 time or less). Selected consortia progressing to full proposal stage received an open invitation to include a partner from one or more of these specified countries, if the project as a whole gained from it. If partners were withdrawn by funding bodies, consortia were invited to add a partner from specified countries having a subscription factor of 2 times or less. This procedure has been successfully used by CORE Organic since 2010, and the researchers are happy with the possibility to add or replace partners.

Full proposal stage : At full proposal stage (the project selection meeting) all partners were asked to prepare well for the negotiation selection meeting, so they had explored the possibilities of adding extra available funds or give some of the proportionally pre-distributed EU top-up funds, back to the common pot if deemed necessary during the negotiations. The scientific evaluation had resulted in a ranking list from which, with the funds allocated and the preliminary distribution of EU top-up funds, there would be no possibilities to fund beyond the top nine. However, additional funds were committed (some funding partners added funds, many gave their share of the pre-allocated funds and one partners funded a researcher in another country). By doing so, two additional projects could be funded. By using full scores only and the EC scoring system of maximum 15 points, 9 equally scored projects could be

freely chosen among by the funding bodies. The Funding bodies still having available funds provided their priorities. Because one funding partner still had not spent any available funds (and therefore would have to leave the consortium), a highly prioritised project from this funding partners country was chosen as number one. The other selected project was the only one possible in terms of left available funds.

The combined measures at stage 1, 2 and 3 led to a total use of available funds of no less than 94% and all partners were able to use available funds.

Lessons learned for CORE Organic: decisions on restrictions should as far as possible be described in the Consortium Agreement.

EXCHANGE

Pre-proposal measures can be employed. What strategy works best depends on the specific demands in the call, the total funding volume, even or uneven distribution of available funds across participating funding bodies and applicants, and number of expected preproposals.

Communicating the oversubscription factors to the relevant funding partners helps in seeking solutions that will benefit most if not all. Funding partners can help with suggestions for changes.

An advantage of having more than one call topic is that funding partners with limited available funding and an expected high number of applicants can opt to join in part of the call only. That will allow a better use of available national and EU top-up funds.

Cutting off a certain oversubscription can be a problem when there is a large imbalance between countries participation in proposals above and below threshold for progressing to the full proposal stage. Effectively some countries would end up with almost all projects invited while others see their chances to get even one proposal diminished. *So, the relative number and quality of researchers in participating countries have to be taken into account.*

Another way to limit budget requests in those countries at risk of oversubscription is to *limit the number of partners per project allowed*. It is also possible to set a *maximum for budget requested per applicant* e.g. a certain fraction of the allocated national funds. This may be applied if ERA-NETS launch calls expecting a high number of preproposals (for example 150 such as in ERA-CAPS calls).

Several ERA-NETS *evaluate and rank at preproposal stage* to prevent large oversubscription. This is especially useful if the expected number of preproposals is high. Expert evaluation and the accompanying feedback on preproposals is considered good practice as it enhances the quality of the submitted full proposals.

Requiring removal of consortium partners from a project in between pre- and full proposal can be an option, especially if one or more funding partners are not willing to fund it, and the others prioritise it highly. This is a model used in several ERA-NETS. It is allowed in between pre- and full proposal stage (before final expert evaluation). In some ERA-NETS the *result of a funding partner declaring a project not fit for funding at the preproposal stage* still allows the consortium to exchange this partner between pre- and full proposal stage. Other ERA-NETS decide to remove the whole project based on the withdrawal of a funding partner. To apply this rightfully it has to be in the eligibility criteria or in the national rules. If the rules with regard to a requirement to fit national priorities are presented clearly enough for the applicants the ERA-NET should not encounter problems with this. An annex to the call with clear national rules and priorities is very important. When preparing a new call, the call secretariat can take stock of countries who had problems with receiving proposals that matched well with national priorities in previous calls and request an improvement of the clarity of the national rules to be published with the call. If new partners are added, they need an eligibility check. Inviting consortia to exchange applicant partners seems to be more *problematic in ERA-NETS which have an expert evaluation at the preproposal stage.*

Advise researchers to always contact their National Contact Point (NPC) and check whether a call topic is also a national priority (if that is used as an eligibility or selection criterion).

Some ERA-NET managers wondered if some of the above mentioned measures would not interfere with the *quality* of the research. It was emphasized that all the proposed measures are actions *before* full proposal (and evaluation + ranking list) stage. A replacement of an applicant partner might lower the quality of the proposal, but the alternative is that the project is rejected. If the consortium accepts, they can submit a full proposal instead of being withdrawn. The new proposal will be judged in the expert evaluation and compete with all the other proposals. The experience of CORE Organic is that applicants appreciate the suggestion to add additional partners and to be able to replace partners that are forced out of the project. Moreover, in the experience of CORE Organic the addition of extra partners benefit the newer members of the EU and it is therefore a way to strengthen the ERA as a whole. Other ERA-NETs agree on this view. Actively assisting in finding good quality researchers in these countries can help raising overall (national) quality and raise national awareness resulting in participation in more ERA-NET calls and in more applicants in future calls.

Unbalanced allocation of available funds may cause uneven participation across funding countries. BESTF2 explains how in their call this was almost inevitable because of the demonstration activities that had to be involved. This resulted in projects where one or two partners represented a high percentage of the budget. This was an explicit demand in the call (coordinator must be from industry and must account for at least 51% of the funding). When such specific demands are set in a call, the effects of oversubscription will be different and will ask for other measures than in a call in which budgets are evenly distributed between applicants.

New partners can be found through specific brokerage events, via partnering tools or by contacting the NPC.

The **ranking list** and **continuous ranking versus a barrel approach** was a returning topic throughout the whole Master Class. The CORE Organics call used one final ranking list covering all four topics. The scoring was made in whole points, therefore the result effectively gave barrels: four proposals in the top group, followed by five in the next group and finally nine equally scoring projects still above the threshold of being recommended for funding by the evaluation panel. The available funds could be used to fund the top two groups. Extra funds made it possible for the *funding partners to select projects based on additional criteria, because the scientific quality was not contested* (e.g. in a group of 'excellent': all are excellent). Whether such approach is acceptable for the funding partners, depends on the specific ERA-NET. It is important to discuss and define the selection criteria before the selection meeting.

According to ERA-NET+ and COFUND rules, *the H2020 evaluation methodology* is obliged (15 point scale normally equally divided over three criteria - Excellence: max. 5, Impact: max. 5 and Implementation: max. 5). ERA-NETs are allowed to specify sub criteria within these three main criteria and weigh them according to call specific demands.

Some of the represented ERA-NETs use external experts in the preproposal stage. Usually for grouping the pre-proposals in groups, such as 'highly recommended', 'recommended if funds available' and 'not-recommended'. One ERA-NET used the external experts to make a full ranking list of the preproposals. This may limit however the acceptability of changing partners in a project as changing partners is likely to affect the evaluation and ranking of the project. An option could be that if a project is not accepted by one country's national priorities, the experts could evaluate if this partner is crucial for the project.

Spending a part of the EU funds on administration is a necessity for many ERA-NETs. An exception are ERA-NETs supported differently, for example by a Secretariat from a JPI. There are always management/administration costs associated. (National) calls often use between 5 and 10 % of the total programme budget. Do ERA-NETs spend too much on call management? Not likely as there is a minimum of costs involved running a call. ERA-NETs nowadays build on a lot of experience, have centralized call secretariats and also divide also other large tasks (e.g. conferences) in effective and cost-efficient manner.

With regard to use of EU top-up funds in a distributed pot versus a common pot, the funding partners' preparedness to use more in a common pot will result in selection of more projects from the ranking list and result in a higher overall use of allocated funds. A preliminary 50/50 distribution between proportionally adding the money to the national funds and a real common pot is used by quite a few of the first ERA-NET Plus/Cofunds. The ERA-NET managers emphasize that in order to facilitate maximal spending of available funds, the funders should not stick too hard to fixed shares. It is common practice to ask for flexibility from the funding partners. It is recommended to

include a section in the Consortium Agreement stating that funders will in no case be mandatory requested to give their national funds to applicants from another country. However, funding bodies can voluntarily choose to allocate a part of the EC pre-allocated funds to the real common pot.

CONCLUSIONS AND RECOMMENDATIONS

There are **several strategies to maximise the use of available funds**. Which works best depends on the ERA-NET, its specific scope, the targeted applicants, the number of (expected) preproposals and the variety in quality and number of researchers in the different partner countries. All ERA-NETs try to maximise number of funded projects and all have (in different degrees) some issues with optimisation. If ERA-NETs choose to use a very fine-grained evaluation and scoring system, they run the risk of losing flexibility in the ranking list.

General options and recommendations:

- Learn from your previous calls, discuss if you need a minimum of available funds or other restrictions to participation;
- Think in scenarios and communicate open to funding partners and applicants on procedures to handle oversubscription. An oversubscription cut-off factor may help you doing this.
- Discuss beforehand with funding partners that insist on a proportional distribution of the EU top-up fund as this demand will probably hamper maximal use of available funds and limit the number of projects to be funded;
- During call preparation identify the countries which seems to have allocated too little funds based on experiences from previous calls, and ask the funders to raise their funds and/or retract from part of the sub calls (if there are sub calls defined);
- During call preparation identify funding partners who run a risk of undersubscription and take measures to raise it, e.g. extra promotion of the call and the match making tools;
- If oversubscribed at stage 1 funding partners can be asked to add funds, reduce proposal budget or reduce the number of researchers allowed per consortium;
- If undersubscribed at stage 1, invite consortia to include partners from that country if beneficial for the project;
- Try to negate huge imbalances beforehand, but at least before full proposal stage (the ranking list has to be followed);
- If preproposal selection is based on expert evaluation it will be harder to ask for changes after the first stage;
- The clearer the budget picture is on beforehand, the easier and quicker decisions can be made;
- Using barrels in ranking instead of a continuous ranking allows more flexibility. Still, try to make adjustments before the ranking starts.



3. How to direct calls to increase innovation aspects and SME involvement

CASE: ERA-IB, *presented by Marion Karrasch*

In H2020 a greater emphasis is put on innovation. Therefore increasing involvement of SMEs (and larger industries) will be more important in new ERA-NET COFUND calls. Some ERA-NETs operate in areas of research where SME involvement is not new and their experience is valuable for others. One ERA-NET which has long-term experience with involving SME is the Industrial biotechnology ERA-NET (ERA-IB). It consists of 18 funding partners from 14 countries including 5 observers. In the first ERA-IB calls, SME involvement was voluntary and from 2013 on this became mandatory. This resulted in a rise from 40% to 70% SME participation in projects. ERA-IB does not have a dedicated Work Package (WP) on industrial participation.

SME participation rises if this is mandatory in a call. There are other options available as well to raise SME involvement. The **call text can specify to have products and markets addressed** in the proposal to aim specifically at more market-oriented partners. This will lead to consortia where partners are able to address such issues. Be careful to adjust **selection criteria accordingly**. This may mean that weighing factors are applied in such a way that **economic (and/or social) criteria weigh the same as scientific excellence**.

ERA-IB uses a **balanced mix of evaluators, including from industrial background**. In their last call, two experts could be proposed per funding partner. At least one expert had to be from the industry. From the longlist of evaluators a panel was selected where roughly half of the experts were industrial scientists.

SME involvement requires some specific adjustments. It is helpful for **applicants to be supported with IPR guidance**. ERA-IB wrote guidelines for IPR. The (standard) DESCA (Development of a Simplified Consortium Agreement) model was to be used for the projects. **Support of partnering** by brokerage meetings related to industrial conferences and web-based partnering tools was offered. The brokerages were organised related to industrial events. ERA-IB has experimented with stand-alone brokerages, electronic partnering tools and open databases. In their experience the existing (national) open databases and networks work fine and there is no need to build specific other systems.

Joining forces with other ERA-NETs that bring in industries is very useful to extend the network. ERA-IB has a successful partnership with ERA-ETB (Euro Trans Bio). Their joint call had an increased SME participation. To keep the network up to date, the ERA-NET puts extra effort to be visible for SMEs and have solid connections with SME partners. Keeping **close contact to industrial boards or initiatives** helps in doing so.

A call incorporating science and innovation has to deal with **balancing proposals that are more fundamental with proposals that are more applied in nature**. ERA-IB divided their call into two 'topics' or lines: one line for low Technology Readiness Levels (TRL), serving more basic research, and one for high TRLs dedicated more towards applied research. This created diversity within the same topic. By applying different weights on the criteria for the low and high TRL level proposals all proposals could be ranked in one list. The criteria had the same maximum, but the sub criteria weighted differently. For high TRL proposals the "economic and social perspective" weighted heavier, for low TRL proposals the scientific and technological quality.

EXCHANGE

H2020 demands evaluators that are scientific experts. Since many researchers are working in industries, it is not hard to find *evaluators from industry*.

Evaluation criteria, especially the 'Impact' criterion, can be adjusted to reflect a more innovative call.

It is important to realise that *some funding partners may not be able to fund SME participants* due to restrictions in national legislation. In the last ERA-IB call, roughly 25% of the participating funders had such restriction. ERA-NETs can try to include funding partners who are capable of funding SME participants, in particular funders that are on national level assigned specifically with funding applied research and SMEs. Whether SMEs are eligible for funding may also depend on additional demands. In some countries for each industrial partner, a scientific partner needs to be incorporated. If SME partners are not eligible for funds, they are often still allowed to participate on their own account. All ERA-NETs with SME involvement are familiar with such restrictions. Of the represented ERA-NETs, BESTF2 and WoodWisdom-Net have considerable industrial involvement as well.

CONCLUSIONS AND RECOMMENDATIONS

Innovation is becoming more important in H2020. Industrial stakeholders can be involved in the agenda setting. Innovation can be addressed explicitly. A call can aim for projects with high Technology Readiness Levels. ERA-NETs can increase SME (and larger industry) participation in projects in several ways without making it a mandatory demand in a call. The call text is essential in directing a consortium. Equally important is to adjust the evaluation criteria and the pool of evaluators to address innovation aspects. Some specific support for applicants can be useful, e.g. partnering and IPR guidance).

General options and recommendations:

- Specify the call text to have products and markets addressed;
- Apply weighing factors to evaluation criteria in such a way that economic (and/or social) criteria weigh the same as scientific excellence;
- Use evaluators from industry in the review process;
- Balance industrial and non-industrial scientists in the expert evaluation panel;
- Support applicants with specific (IPR related) information;
- Support partnering actively;
- Join forces with other ERA-NETs that bring in a new network of SME partners;
- Use and adapt evaluation processes to balance between proposals that are more 'basic science' and proposals that are more applied in nature;
- Bear in mind that some funding bodies have specific legislation prohibiting funding of industry from research funds and try to bring in funding agencies that fund SME applicants;
- Keep close contact to industrial boards or initiatives.



4. Fund management

Practical examples and potential for alignment

Comparison based on budgets and administration procedures from Plus and Cofund ERA-NETs,
moderation by Ulla Sonne Bertelsen

One year into H2020 and with the first ERA-NETs under the new COFUND instrument recently started, some specific aspects and implications with regard to the internal management are still unclear for ERA-NET project managers and the funding bodies that joined. The financial arrangements of 'unit costs for additional activities' bring questions as it is not yet known what the European Commission would approve regarding management and additional activities and the handling of the budgets for that. As there is no specific guide on ERA-NET COFUND management and the first audits will take place once projects close, it will be up to ERA-NETs to find working modes. Exchanging information and good practices is imperative to prevent misconceptions.

BOX 1: ERA-NET COFUND basics

Documents were included in the meeting binder to give background on the (financial) principles and to list the differences of H2020 ERA-NET COFUND with FP7 ERA-NET and ERA-NET+. This box sums up the essential elements:

- **One mandatory call, co-funded by a European Union top-up contribution;**
- of which at least **67% of the total committed funding volume has to consist of nationally committed funds;**
- and at maximum of **33% of European Union fund.**
- **Additional activities** are encouraged (including additional calls – without EU top-up);
- a maximum of 20% of the total EU funds may be claimed as units for direct coordination costs of additional activities.
- In case a part of the EU top-up funds is used for internal management, this has to be replaced by additional national contributions to the funding of trans-national projects, these funds are processed through what is referred to as a **'black box'**.
- One unit may be claimed per partner per year that this partner will be actively engaged in the additional activities.
- The funds claimed as units can be redistributed over the partners and over Work Packages to support centralised tasks for the co-funded call as well as for the additional activities. In the Master Class the redistribution of the budget yielded by the claim of units was referred to as **'purple box'** approach.

ERA-NETs make *internal arrangements on sharing management tasks and costs* but how this is arranged precisely can vary widely depending on the ERA-NET constellation and surroundings. Per consortium partner per year involved in additional activities one unit can be claimed, up to a total maximum of 20 % of the EC grant. Redistribution of these resources to task leading partners for the management/coordination of tasks under the Work Packages for organising the co-funded call *and* the Work Packages that actually include the additional activities is common practice.

It is common practice to cover material costs like travel expenses of all the partners. How these costs are covered, again is different. Some ERA-NETs compensate funding partners flat rates based on distance, some compensate actual costs. Some ERA-NETs like BESTF agreed to only create a small common pot for expensive activities and let

national funding partners cover their own management costs. This is uncommon as many funding partners are not allowed to use national funding money on management costs.

While, as stated in Article 6.2 of the Grant Agreement, the direct coordination costs of a beneficiaries' additional activities are eligible if they correspond to the amount per unit set out in the Annex 2 [29 000 EUR/year] multiplied by the number of actual years in which the beneficiary has carried out the *additional activities* described in Annex 1, the resources obtained by claiming units [11 962,50 EUR/year/partner] are usually redistributed according to person months for leading tasks in *all* WPs, the newly-coined 'purple box' approach.

In terms of fulfilling the eligibility criterion, the question is then how to value each participants' contribution to the additional activities taking into consideration that a claim of one unit per year for five years corresponds with EUR 145 000 *direct coordination costs of additional activities* and with a EU contribution for this of EUR 59 812,50.

If consortium partners are compensated per PM for management activities, they can be paid actual costs or a fixed sum per PM.

There were many questions concerning in particular the handling and administration of coordination costs of additional activities. For example, which additional activities would be approved and which would be rejected for claim of unit costs? Can partners join later on for activities and can units be claimed then? What proof is needed to be able to declare that a partner has participated in a specific year to the additional activities? If the consortium can't state that such proof can be given, does the ERA-NET COFUND then lose units? If less meetings and conferences are organised than written in the description of the action, or the level of additional activities is otherwise lower, will the EC grant then be reduced? What supporting documents should be kept? Attendance lists of meetings and conferences? Time sheets of staff for which personnel costs are paid for? Travel tickets and hotel invoices? What if two additional calls are planned but allocations turn out to be lower than anticipated in the proposal and the funding bodies tend to decide to do just one additional call, would this influence the grant? What if no additional call is feasible after all, e.g. because research priorities shifted and the total amount of call budget is below a threshold considered for being able to managing a call cost-efficient enough. It was obvious that we are still in the starting phase of the ERANET COFUND instrument. More information and guidance is sought.

Besides the questions concerning minimal requirements for claiming the planned units and keeping records in case of an audit of *Commission* there is the issue of how to monitor compliance and do reporting *internally* (within the consortium) in an effective manner that satisfies the funding partners.

For countries outside the monetary union, *currency exchange rates* are an issue, especially in H2020 COFUNDS where there is only a financial reporting at the end of the project. All costs are calculated in euros using the exchange rate at the time of reporting. Fluctuations between exchange rates at proposal stage and at final reporting stage can be quite big, leaving partner countries with a large uncertainty on the actual Union contribution received in the end. In the UK the funding partners take this risk. If interim financial reports would be accepted or if an average currency exchange rate would be used, fluctuations could be partly levelled out.

(Timely) distribution of EU top-up funds to researchers can be an issue as the Commission pays only a small part as prepayment. The larger part is transferred as interim payment after approval of interim reporting. In some +/-Cofunds this is after 12 months, others have to wait longer. If at national level payments are done upfront at the moment of granting, then the national funder has to pre-finance the EU top-up fund from the Commission. ERA-NET managers need to discuss this issue before a call, and if there are partners unable to pre-finance, the partners need to agree on a mode to handle this issue. An option can be to inform applicants from the affected countries that they may have to pre-finance funds. It seems like the EC will solve this problem for the ERA-NETs by raising the pre-payments to 90% and having only one financial reporting at the end of the project.

Expert evaluation fees are paid by several ERA-NETs, not by all. Usually this fee can't cover the workload involved. In the case of BESTF expert fees were quite high. But interestingly, the evaluators considered them to be low anyway. Whether fees are being paid usually depends on the workload. Usually, external reviewers who read only one to two proposals do not get paid. In general payment is regarded an appreciation for the input experts deliver.

CONCLUSIONS

Recommendations on fund management can help. However there is no 'one size fits all' approach. ERA-NET COFUND consortia have to decide on what works best for the specific ERA-NET. There is a need however for in-advance insight into what would be accepted and what not by the European Commission with regard to use and documentation of unit costs. There are questions regarding which activities are eligible, how to budget them, how to report and what supporting documents would be needed in case of an audit. Apart from more clarity, it would be helpful for managers to have a set of possible fund management approaches elaborated with examples to choose from. While information is shared among the bioeconomy related ERA-NETs in this PLATFORM master class, ERALEARN 2020 could collect this from ERA-NETs in other areas and provide additional information.



5. Additional activities

practical examples with use of funds

CASE: FACCE SURPLUS, *presented by Nicolas Tinois*

ERA-NETs can employ additional activities under the COFUND scheme. The COFUND call texts in particular note that the additional activities can include additional calls without EC top-up. Other activities that are planned by ERA-NETs so far include conferences, alignment activities, scoping workshops for additional calls, and training activities for early stage researchers. EC resources for additional activities can be obtained by applying for unit costs. It is unclear however how to budget the activities in units, how to handle the administration and what records to keep in order to have identifiable and verifiable use of units.

SURPLUS is an ERA-NET on a topic in the H2020-ISIB-2014 Call that was proposed by FACCE JPI: “Sustainable and resilient agriculture for food and non-food systems”. The maximum EC grant is € 5 M. About €1M of this €5M is requested as unit costs for 83 units of additional activities and € 4 M for EC top-up in a call. In order to have the € 4 M of the EC grant for the transnational projects, it has to leverage at least € 8 M of national budget which has to be actually committed to projects following the ranking list. The total amount of national funds allocated sums up to approximately € 10 M.

At proposal stage (of the Cofund application) all funding partners were asked to express interest in additional activities and the kind of activities they wanted to partake in. This generated a variety of possible activities including organising more joint calls; capacity building activities and dissemination activities. Two Work Packages with additional activities were designed. One “implementing a joint programme” (WP6) and a “short and long-term strategy on sustainable and resilient agriculture” Work Package (WP7).

All consortium partners declared that they will contribute effort to all WPs including the two WPs with additional activities.

WP6 is aimed at implementing further joint calls but also at reaching a joint programme and ultimately create a self-sustainable ERA-NET. Implementing further joint calls have the advantage that they only have to comply with national legislation. WP7 aims to link the ERA-NET to FACCE JPI, other European or international activities and to prepare long-term follow-up actions. Included in this WP is coordination and overseeing of implementation of additional events. A list is included of activities that are to be proposed to the Steering Committee, and if decided, these activities will be organised. Included in the list are: common kick-off, interim and concluding meeting of the projects, scoping workshops for future calls, a stakeholder event, an international conference but also a training summer course and networking of research infrastructures. Some of these activities also mentioned under one of the Work Packages for management of the co-funded call.

In total € 1 M for work packages and steering committee (administration) is split into € 750 k distributed to task leaders to cover labour costs and € 250 k for travels (~€ 130 k to the three partners organising the evaluation, ~€ 5 k for each partner to cover Steering Committee Member travels).

An additional € 200 k is put aside as a reserve fund to involve other partners in additional activities. Any partner wishing to implement an action can apply for funds at the Steering Committee. This creates flexibility to implement specific activities when needed. If this is an option, SURPLUS may use some of the difference between available and committed national funds. This will probably be restricted by national funding rules prohibiting the use of research funding for other activities than research.

Also in FACCE SURPLUS, the handling and administration of the unit costs and the use of the resources is a specific issue. While the direct coordination costs of additional activities are eligible if they correspond to the amount per unit set out multiplied by the number of actual years in which the beneficiary has carried out *additional activities* described in the Gant Agreement Description of the Action, the funds are redistributed according to person months for leading tasks in *all* WPs. In terms of fulfilling the eligibility criterion, the question is how to handle this. Is proof needed of participants' contribution to the additional activities (WP6 and WP7) in order to underpin the claim of a unit per year during 5 years? Are all of the proposed activities eligible, for how many years do they count in, and can partners join later on in terms of the claim?

CONCLUSIONS AND RECOMMENDATIONS

In the new H2020 ERA-NET COFUND additional activities, including additional calls, are highly encouraged. There is however no clear guidance on how to handle the associated financial administration, as concluded also in the previous item. It is recommended that the ERA-NET partners agree timely not only on the allocation of tasks but also on internal rules for distribution of funds for that.

A longlist of possible additional activities was compiled by the master class participants:

- Kick-off meeting, interim seminar and final meeting for the funded projects from the *additional* calls (programme meetings of the co-funded call are already part of the activities for implementing the co-funded call, so are not additional);
- Stakeholder workshops;
- Enlargement working group;
- Summer school;
- Conferences;
- Capacity building initiatives;
- Transnational newsletters;
- Monitoring activities;
- Whole machinery for additional calls;
- Mapping & foresight activities (framing and scoping for new calls);
- Participating in additional calls (would this already be sufficient to justify unit costs for the whole duration of the project?);
- Commenting on documents;
- Assisting (input for the funding partner) on call preparation
- Sustainability plan;
- Elaboration on Strategic Research and Innovation Agenda;
- Evaluating some activities for the JPI in case the COFUND is related to a JPI;
- Alignment of national programmes;
- National activities on national ownership;
- Other joint activities (e.g. Knowledge Hub);
- Attending specialists network meetings;



6. Support to Public-Public Partnerships ERA-NET COFUND, Framework Partnership Agreement, P2P in WP2016/17

Presented by Jörg Niehoff

The ERA-NET scheme was developed as a support scheme for P2P cooperation between Member States. It has evolved to the H2020 ERA-NET COFUND scheme which can be used in three ways: i) to implement a single joint call where Member States contribute in cash, ii) to implement a single joint call and additional activities or iii) to implement a single joint call where Member States contribute in kind (in exceptional cases). ERA-NETs are a *de-facto* long term cooperation between Commission Services and Member States. Even though proposals are submitted via open calls, there is no actual competition.

One of the downfalls of having ERA-NETs as topics in the Framework Work Programmes is the delay between discussing topics and launch of a call (typically 3-4 years). Another drawback is the application procedure; there is little added value in the external evaluation of an ERA-NET proposal. In order to mitigate such drawbacks a new instrument is proposed by the EC: the **Framework Partnership Agreement (PFA)**. This Agreement between the European Commission and national and regional programme owners and managers (project partners) is designed to support mutual interest and common general objectives. Actions are jointly defined and agreed upon. Such an agreement allows grants to be allocated to identified beneficiaries without the need for evaluation and selection. All Societal Challenges (SC) have a Programme Committee to propose and discuss priority topics. In addition, SC2 has another political configuration to consult: the Standing Committee for Agricultural Research (SCAR).

Per Societal Challenge there will be one PFA incorporating all potential partners. Once the PFA is in place, these partners can join, in different configurations, in the ERA-NET Cofunds under the PFA, each (with a Specific Grant Agreement).

Advantages are:

- A **more strategic approach to ERA-NETs** with increased upfront involvement of policy makers;
- The **establishment of long-lasting joint programming research efforts** between Member States;
- A **simplification of ERA-NET administrative procedures** such as proposal submission, evaluation and grant preparation;
- A **reduction of time between identification of a research area for an ERA-NET and the launch of a co-funded call**. This decrease in time between priority setting and call launch is expected to suit funders better as they usually make short-term (financial) commitments that are hard to transfer to the following budget year.

Practically, first a call for a proposal for an PFA will be launched. Once the PFA is in place, topics agreed between EC and Member States will call for proposals for specific grant agreements (SGAs) not requiring more than a technical evaluation. The PFA commits Member States and the Commission to address specific challenges with a consistent set of resulting ERA-NET COFUND actions with a broad coverage. The PFA should require no additional governance or extensive administrative burdens after preparation. There will be a need for an PFA coordinator that is willing to bring together all programme owners and managers, draft and submit the proposal and that will amend the PFA (twice a year probably). Participating in a PFA does not oblige participating in a Specific Grant Agreement.

The PFA is not a new instrument but already in use in some H2020 areas like the FET Flagships. There are differences between the ERA-NET PFA and other PFAs. The ERA-NET PFA will only be a general 'action plan' and expresses the intention to implement ERA-NETs on specific topics. The coordinator of the PFA does not need to be the coordinator of the SGAs as well. Each SGA can have another coordinator. Each SGA only includes those PFA partners that participate actively to that action.

FPA's are proposed for SC2, SC3 and SC5 in-cash ERA-NETs only, but it is currently not yet sure whether they will be launched in the 2016 call already. *Administrative changes* such as the Framework Partnership Agreement may have effects on cooperation. An FPA addresses topics within a Societal Challenge. What this may mean for cooperation across Societal Challenges is unclear but likely any hampering or delay will be minor.

EXCHANGE

The FPA is presented as an easier instrument to use for both Commission and Member States, but there are expressions of doubt concerning the alleviation of administrative burden for the applicants. How the FPA will work in practice is still unclear. Some ERA-NETs and FACCE JPI see an advantage of the FPA in clustering ERA-NETs.



7. Multi-network calls

Experience and discussion on how networks can collaborate in one ERA-NET (COFUND) action

CASES: Joint call FACCE & BiodivERsA, WaterWorks 2015, *presented by Heather McKhann*

FACCE-JPI is involved in two joint initiatives with other European initiatives. Together with ERA-NET BiodivERsA a joint call was launched. With the Water JPI, FACCE applied for a joint ERA-NET COFUND: WaterWorks 2015. Regarding the BiodivERsA joint call the scope of both networks has considerable overlap and there was previous cooperation (e.g. participation in workshops). In the WaterWorks 2015 call, JPI Water is leading. This JPI is related to SC5 and the scope of both JPI's differ considerably. This may partly explain the difference in cooperation. Additional activities in the WaterWorks 2015 call are slightly different for both JPIs. Some activities are shared, others are exclusively for the Water JPI: a part of the EC funds will be used to support the JPI Secretariat. Although the nature of cooperation is different, in both cases this went well. Starting point for both processes was scoping the themes together.

There are several advantages of joint calls arising from a collaboration of two or more networks. From the view of each network additional funding is leveraged and additional funders are attracted. A joint call helps to involve additional Members States and Associated Countries. Having a joint call allows for the implementation of a priority topic shared between the two Strategic Research Agendas thus contributing to alignment of research funding. In addition a joint call may foster multidisciplinary research more than a specific ERA-NET call (depending on the focus area of that ERA-NET).

There are three major success factors for joint calls. Having **common or overlapping research themes** is obvious and important as a joint call can be perceived as a loss of decision making on research themes. Therefore, real agreement between the involved Governing Boards is essential. Second, **agreement on procedures** and clear agreement of partners on division of work and costs is necessary. Third, a true joint call must **include funding partners from both parties**.

EXCHANGE

Cooperation has advantages. Other ERA-NET managers acknowledge these advantages. WoodWisdom-Net has also experience in organising a joint call with another ERA-NET. Their manager used to work for the call secretariat of the joint call arranged in collaboration with ERA-NET Bioenergy, and this proved to be a very efficient way of cooperating. Such collaboration can create useful new networks. ERA-IB is preparing a joint call with five ERA-NETS, which is more demanding but still worthwhile. Cooperation can provide self-sustained ERA-NETS the opportunity to join with regular ones and receive some EC funds to cover management costs. Cooperation allows learning from each other's procedures. Finally, international cooperation requires and stimulates national collaboration (between or within departments) and by doing so increasing alignment at national levels.

Topic selection and methodology are key success factors of a joint call. FACCE-JPI cooperated on one joint call with many topical similarities and one COFUND proposal with less similarities. The key factor was reaching agreement between both Governing Boards. WoodWisdom-Net elaborates on how to reach agreement: starting with partner meetings where options are discussed, a workshop followed to determine the best methodology.

Restrictions on what funders are able to fund can be an issue. In the joint call of ERA-IB and EBT, the first step was to reach agreement on a list of topics valid for all partners. Next, a table of funder restrictions was prepared to make sure all restrictions were identified. This comprehensive screening allowed the joint call to go forward without a

need for sub-calls. If there are many restrictions, it is essential that applicants are informed clearly to prevent submission of ineligible proposals. For CORE Organic, the broadness of the calls and funding of specifically organic research may complicate scoping of a joint topic with other initiatives.

One of the *results of launching a joint call* can be an increase in number of submitted preproposals. ERA-IB expects a doubling based on previous experience. While available funds usually do not increase much, still the preparation of a joint call is perceived by the participating networks as more efficient. National available funding is often perceived as spent 'twice': in different areas.

Involvement of other European organisations (including industry) can encourage cooperation. In the case of WoodWisdom-Net, involvement of the Forest-based Technology Platform creates links with related industries. The Biotechnology ERA-NETs don't have a specific technology platform on their topic to link with but do have links such as with the Joint Technology Initiative (JTI) BioBased Industries (BBI) and the contractual Public Private Partnership SPIRE – Sustainable Process Industry through Resource and Energy Efficiency. These links are important.

The *COFUND instrument may alter the ERA-NET configurations*. Three currently operating biotechnology ERA-NETS are likely to be followed up by one ERA-NET COFUND after conclusion of the current activities. WoodWisdom-Net is currently preparing a 'forest-based bioeconomy' proposal with two other ERA-NETs, involving Mediterranean partners. It may become more commonplace for several ERA-NETs applying together for one COFUND, or publishing a joint call. This may increase mass and alignment on common priorities. The possibility to undertake additional activities in COFUNDs may bring self-sustainment of ERA-NETs closer.

CONCLUSIONS AND RECOMMENDATIONS

Joint calls can be a good way to work together, create mass and enhance alignment. They also allow exchange of knowledge and experience between network partners. Requirements for success are:

- Having common or overlapping research themes;
- Agreement on procedures;
- At least a few funders from each network.

Possible benefits are:

- Implementation of two SRA's in one call;
- Benefits of scale – if the calls are larger;
- More efficient use of available funds;
- Mutual learning opportunities;
- Rise in number of submitted (pre)proposals;
- Enlargement of (industrial) network;
- Alignment at national level driven by cooperation at European level

Considerations when organising a joint call are:

- Restrictions on what funders are able to fund;
- Perceived loss of focus on topic;
- Clear communication (to applicants) about funding restrictions
- Consider establishing National Contact Points.



8. Expert evaluation

What changed with Plus and COFUND, best practises

CASE: BESTF2, *by Kerry Young*

As they move forward from ERA-NET to ERA-NET+ to ERANET COFUND, BESTF is considering changes in the evaluation process. Changing the evaluation procedure has two major consequences for the ERA-NET. First, the decision making process is taken away from funding partners towards expert evaluators. As a consequence an eligibility check at preproposal stage is needed to take national priorities into account. Second, the consequences of a continuous final ranking list are unclear. The ERA-NET used a continuous ranking list before but was discussing a barrel approach because of funding flexibility advantages.

In the last call of BESTF (BESTF2) thirty-eight preproposals were received. The evaluation process was led by a Management Board with members approved by the participating funding partners. All had a broad range of expertise. Each proposal was evaluated remotely by three independent experts. Thirteen proposals were invited to progress to full proposal stage. The applicants were provided with a lot of feedback on their preproposal. In the next step, the (12) full proposals were evaluated by eight scientific evaluators. Each evaluation criterion had a threshold value proposals had to pass. All evaluation reports were discussed in a moderation meeting where the final score and ranking list was decided on. Six projects failed to meet thresholds, one project dropped out, six projects were funded. The total amount of available funds was €15M. The participating funding partners also secured an additional €7M national funds on top of the €15M. Issues that rose during the evaluation process are currently discussed in preparation of the BESTF3 call.

At pre-submission stage *applicants were advised to contact national funding bodies to check for eligibility and to know about national priorities*. BESTF considers this good practice and will continue to do so. A question currently discussed among the BESTF funding partners is whether all national priorities are equally important in the call and how to balance national priorities with supranational ones.

National timescales for allocating available funds are out of line with the COFUND timeframe. Some countries need a long time to allocate available funds. This needs to be addressed but how is unclear.

Ranking was done based on a very detailed scoring system with many sub criteria. During the moderation meeting it became clear the experts reviewing the proposals had fundamental *differences in interpreting the evaluation criteria*. The combination of the latter with the detailed scoring system, led to a combined list in which only three proposals out of thirteen managed to pass all thresholds. Some proposals failed one threshold and still ended up with highest scores. At the moderation meeting a more common interpretation of the evaluation criteria was discussed and the reviewers were invited to revise their initial scoring if they wished to do so. These measures enabled BESTF2 to agree on a ranking list and fund all proposals according to this list.

Even though the evaluation process was well thought through, still a considerable difference in interpretation of evaluation criteria existed. This was probably due to several combined factors:

- Prior to the evaluation process all evaluators were offered a *voluntary webinar* but not all evaluators attended it;
- There was *too much time between the evaluation of proposals and the moderation meeting*;
- The *perceived feasibility of an idea or specific background information* led evaluators to score proposals differently.

Measures to prevent the same issues from rising are:

- The upcoming BESTF3 expert evaluators will be obliged to attend the webinar;
- Simplification of the scoring system;
- The webinar will be complemented with a written guideline;
- An online evaluation score form with drop-down sections to explain evaluation criteria in detail is considered.

EXCHANGE

The *ranking list* that has to be sent to the Commission is binding. The ERA-NETs are advised to prolong it and include unfunded proposals, to be able to select another project if a proposal drops out after final selection, this has been confirmed by the project officer present at the meeting.

The evaluation criteria in H2020 (Excellence, Impact, Implementation) are fine. Adding much more detail does not necessarily lead to better selection. Weighted sub criteria can help to optimise evaluation, but there is usually no need for a very detailed system although for some ERA-NETs (WoodWisdom-Net , ERA-IB) a detailed scoring works well. The project officer present has confirmed that an ERA-NET can adapt the weight or scores of the three main evaluation criteria if it fits better with their particular call demands.

Evaluators need to have a shared interpretation of evaluation criteria. Still, differences of opinion can happen. If this is lasting, ask another evaluator for a decisive score.

ERA-CAPS offers applicants a (one-page) *rebuttal option*. Applicants have two weeks for rebuttal, which is no problem if rebuttal dates are communicated well in advance (e.g. when the call opens). Rebuttal takes place on anonymized reviews before ranking. The reviews and rebuttals are sent to the review commission. During a moderation meeting evaluators in the review commission base the final overall score and resulting ranking list on the external reviewers' reports, taking into account the rebuttals and are allowed to give their own expert opinion. ERA-IB also used a rebuttal option which took three weeks. They allowed adjustment of the original review by the evaluators.

External reviewers can be different from the panel members. In ERA-CAPS the call scope is broad and thus evaluators with broad expertise are chosen for the panel. The external reviewers are more specific experts.

CONCLUSIONS AND RECOMMENDATIONS

Expert evaluation is a crucial step in selecting proposals for funding. Evaluation should be as uniform as possible across individual experts. To prepare expert evaluators optimally for their task, several options and recommendations are given:

General options and recommendations

- Use the H2020 evaluation system '5-5-5' because it works fine and in many cases it is not necessary to use a more complex system;
- Give feedback to preproposals moving to full proposal stage because this enhances the quality of full proposals;
- As evaluators provide scores before the meeting a preliminary ranking list can be drawn up: use the expert panel meeting efficient and only discuss cases whose position is unclear and matter for the selection;
- A rebuttal procedure is very useful and worthwhile;
- in terms of work load have sufficient reviewers for the amount of proposals;
- In case of a scope that requires specific expertise for individual proposals, consider working with a large pool of external experts for the review before the evaluation panel.
- in terms of efficiency consider using the same evaluators for both steps;
- If a more complex evaluation system than the usual H2020 one is used, make sure the

evaluators understand the purpose of the specific (sub) criteria and interpret the criteria similar;

- Provide training, create a common understanding of the evaluation criteria and introduce clear guidelines for evaluators;
- Make sure the time between expert evaluation and moderation meeting is short;
- Always advise applicants to check with National Contact Points for funding rules and priorities.



9. How to manage institutional funds in calls

CASE: ERA-NET COFUND ERA4CS, *presented by Chloé Deygout*

Built with the support of the JPI Climate, ERA4CS is a combination of a *cash* ('regular') and *in-kind* (institutional) ERA-NET COFUND under Societal Challenge 5. ERA4CS will launch a joint transnational co-funded call in 2016, with 16 countries and up to 75M€ in total with two complementary topics. Partners for this call include 12 *Research Funding Organisations* (RFOs: participate in cash) and 28 *Research Performing Organisations* (RPOs: participate in kind). Moreover, twenty-one partners want to be involved in additional activities (13 RFOs and 7 RPOs). This ERA-NET COFUND is one of the few examples of an ERA-NET experimenting with in-kind partners and the first to include both cash and in-kind partners. The specific combination makes it a unique case and well worth following. Its experiences in managing a call will benefit many other European initiatives that are considering an in-kind funding instrument.

ERA4CS will launch **one call with two topics**. One topic will be funded in cash by the RFO (~€25M); one topic will be funded in kind by the RPOs (~€45M). Both **topics are targeted at different types of projects with regard to consortium size, composition and range of available funds**. The expectation is that the in-kind topic will stimulate different institutes to work together more directly. The cash topic will be more classical but strongly encourage interactions with stakeholders.

The Commission requested a **firewall between the two topics**, as researchers working at the RPOs will likely also be interested to participate in the cash funded topic. With this firewall, researchers from participating RPOs can be allowed to apply: RPOs will have no information on the topic decided on by the cash side and thus not have any unfair advance knowledge of the call compared with non-partner. To maintain some balance between the two call topics, the cash partners will have knowledge about the in-kind topic. Only **one scientific evaluation committee (SEC)** will be evaluating proposals for both topics. Only RFOs can propose members.

The **management structure is adjusted accordingly**: cash and in-kind call issues have separate Work Packages and separate Management Boards (MB), for example to define and decide on eligibility.

Funding is different for the two topics. RPO partners (in-kind) are requested to select a set of preproposals for which they are willing to guarantee funding if they are selected by the independent SEC in the full proposal stage. They will most likely not all be funded in the end because of the limited number of proposals selected by the SEC for funding or the limited EU top-up funds. The in-kind topic will use a virtual common pot with the EU top-up funds from the EC divided proportionally among the RPOs with funded projects. The cash topic will be handled as a regular call, with best use of the available budget, mixing some virtual and real common pot. The total **budget for the call is higher than the minimum required to ask for maximum EC cofunding in order to have more flexibility between steps for the in-kind and at the final funding decision for the cash**

The **expected selection rates differ** considerably: in the in-kind call probably two out of three will be granted, where in cash will be aiming at 20-25% projects funded in the second step.

RFOs and RPOs should **both engage in additional activities**, to further develop co-alignment and to develop a joint vision for climate services in Europe. Many RPOs already expressed interest in additional activities. One issue is that only RFOs are eligible for unit costs from the EC. This is just one of many questions for the ERA4CS ERA-NET to be answered in the course of the project. Not only regarding finances and distribution of funds, but also on how to build the research topics, and how to manage additional activities unit costs.

EXCHANGE

The WP leaders are expected to play a big role in appropriately guiding the whole call process, especially for WP 2 and 3 regarding call topics. The JPI Climate is also expected to play a big role in successfully employing this ERA-NET via its Central Secretariat as well as its Transdisciplinary Advisory Board. Many ERA-NETs and JPIs will be following this ERA-NET closely as a new way of aligning research resources.

Cost calculations for research institutes participating in an in-kind ERA-NET are similar to H2020 conditions and not to national conditions. What costs are considered eligible is taken from the Model Grant Agreement (MGA)¹ available in the participant portal.

It would have been *simpler from an administrative point of view to have two different calls instead of one call* with different topics. However one of the added value is bringing together all these different organisations.

It may be possible to use the resources that the claim of units of cash call partners yield for paying for coordination activities by all partners (including the RPO), if the consortium can agree to it.

Selecting the partner RPOs was a very heterogeneous process with many discussions on how much in-kind funding could be generated by a country. The core group of RPOs was provided by the JPI members. Others were added later on, with the in-kind group playing a big role in bringing new members in and making sure they were appropriate partners for this ERA-NET. *In-kind* partners have to be mandated by their programme owners (whom do not necessarily have to be involved themselves). There is no formal limit for participating, but there is probably an optimum.

¹ http://ec.europa.eu/research/participants/portal/desktop/en/funding/reference_docs.html#h2020-mga-eranel



10. Final points of discussion

Led by: Ulla Sonne Bertelsen

During the two-day Master Class several topics were collected that warranted further discussion or needed to be addressed separately. Some of the questions asked during the interaction with representatives from the European Commission are presented in this section as well.

The issue on *currency exchange rates* as discussed in CASE C was raised after the presentation of the Framework Partnership Agreement. Rates have to be calculated following normal reporting rules; by default at the end of the ERA-NET COFUND project (Month 60). It is possible to conduct internal reporting periods in which rates can be balanced. How this may minimise the risk of a gap in expected and granted cascading funds, remains unclear.

How to guarantee maximum financial commitment from the Commission in a COFUND call: should the ERA-NET budget table list the minimal required national available funds or should additional allocated national funds also be listed. The advice from the Commission is to list additional available funds as well. It is usual to allocate roughly 20% additional available funds. After the proposal stage, a Letter of Commitment is needed from all participating partners. The ranking list should cover the committed national funds plus one or two additional projects in case projects drop out after the ranking list is finalised and sent to the Commission. Additional projects can always be funded without the need for Commission approval.

To get clarity on *the eligibility of additional activities and use of unit costs* it will be useful to have a comprehensive checklist accorded by the Commission on what is eligible. It is requested to PLATFORM to develop such a checklist for ERA-NET COFUND partners. This checklist should ideally be accepted by the Commission as justification of unit costs. It is also important to know soon how spending of unit costs needs to be reported and what records are to be kept for possible audits.

The EC requires that in an ERA-NET Cofund an *independent observer* is appointed. The main purpose of the independent observer is to report on the evaluation process to ensure the rules that govern the EU co-funding are being adhered to. In particular, this covers the way that the expert evaluators apply the evaluation criteria and the process of arriving at a fair and transparent consensus on the single ranked list of proposals. In carrying out this function, the independent observer must not express any opinions on the proposals or the expert's opinions. A short guidance document made by ERA-LEARN is available on NETWATCH. Nicolas Tinois made a checklist for the *observer role in COFUND SURPLUS*. There may be other documents to share or to be developed. Suggestions as well as available documents are welcome.

FACCE-JPI asks if the ERA-NET managers would be interested in *developing a new partner database* which can be used for storing other information as well. Development costs are quite high for one party, but shared would be acceptable and gain mutual benefit. Most managers find the existing databases to work sufficiently. Some databases are not used at all. Dual purpose as expert database and partnering database would help. The Commission allows ERA-NETs (funders) to access their expert database. EUROSTARS (Eureka programme) offers their list of expert reviewers. Many managers have the idea that developing a new database is not worth the effort. An option could be to contact manager colleagues if there is a need for sharing expert lists.

Streamlining (of national processes) may be accelerated through the FPA. Critically considering what is a workable timelines is important. Finding expert evaluators during summer break can be quite hard for example. Sometimes suboptimal timelines are inevitable because of national timelines for allocating funds have to be followed. When options are available, ERA-IB suggests launching a call at the end of the year works well. ERA-GAS explains this may

not always be possible because of Commission timelines. On the one hand synchronisation may increase efficiency. For example, ERA-GAS and SusAN plan organise their funder group meetings back-to-back. As many funders have the same representative in both these Cofunds, this saves travels. Synchronisation is however not the best option in terms of workload, as the peaks in the work then fall in the same weeks. Apart from synchronisation it may not be the best option in terms of workload. On the other hand it may increase efficiency. For example back-to-back organised funder group meetings are more efficient.

Closing the Master Class, Christine Bunthof thanks all participants for their valuable inputs. Ulla Sonne Bertelsen encourages all participants to keep on sharing information. A list with all email addresses and phone numbers is distributed after the meeting and a web platform is opened specifically for this group to share documents. PLATFORM will organise another master class in 2017. The target group will then be call managers (call secretariats) and it will build on the results of this one and all the COFUND call experiences gained from now on. All participating ERA-NET managers agree that the presented cases were valuable and inspiring and led to a very successful Master Class.



Annex I Programme of the Master Class

Thursday 25 June – Cofund related issues

- 11.00** Registration and Welcome coffee
- 11:30** INTRO. Presentation PLATFORM Project *by Christine Bunthof*;
Tour de table; Masterclass Programme and Method; Intro Cofund instrument. What is different in practice compared to an FP7 ERA-NET? (*documents with background on Cofund have been sent*)
- 12:15** **A) Optimal use of funds, practical management to decrease imbalance in requested/available funds at national level and include all funders** CASE: CORE Organic Plus, *by Ulla Sonne Bertelsen*
- 13:30** Sandwich lunch
- 14:15** **B) How to direct the calls to increase the innovation aspects and increase SME involvement**
CASE: ERA-IB, *by Marion Karrasch*
- 15.15** **C) Fund management, practical examples and potential for alignment** Comparison based on budgets and administration procedures from Plus and Cofund ERA-NETs, *moderation by Ulla Sonne Bertelsen*
- 16:00** Coffee break
- 16.30** **D) Additional activities, practical examples with use of funds** CASE: FACCE SURPLUS, *by Nicolas Tinois*
- 17.15** **Support to Public-Public Partnerships (ERA-NET Cofund; Framework Partnership Agreement; ERA-NET Cofunds so far; P2P in WP2016/17 -including time for questions)** *by Jörg Niehoff*
- 18.00** End of the first day
- 19.45** Dinner in the centre of Brussels: Restaurant Hemispheres, 29 Rue Léopold, B-1000 Brussels

Friday 26 June - General ERA-NET issues

- 9.00** **E) Multi-network calls – experiences and a discussion of how two or more networks can collaborate in ERA-NET (Cofund) action** CASES: Joint call FACCE & BiodivERSA, WaterWorks 2014, *by Heather Mckhann*
- 10:00** Coffee break
- 10.30** **F) Expert evaluation, what changed with Plus and Cofund, best practises** CASE: BESTF2, *by Kerry Young*
- 11.30** **G) How to manage institutional funds in calls** CASE: JPI Climate Cofund ERA4CS, *by Chloé Deygout*
- 12.30** Sandwich lunch
- 13.15** **Last points: How to justify use of unit cost; Partnering tool; Streamlining; Sharing of documents within the group networked through this MC**
- 14.10** End of meeting



Annex II

List of participants

| Last name | First name | Organisation | (Primary) Network |
|-------------------|------------|--|-------------------------|
| Bertelsen | Ulla Sonne | International Centre for Research in Organic Food Systems (AU-ICROFS), Denmark | CORE Organic / PLATFORM |
| Bunthof | Christine | Wageningen UR (WUR), The Netherlands | PLATFORM Coordinator |
| Bassler | Arnd | Federal Office for Agriculture and Food (BLE), Germany | Cofund SusAn |
| Batoux | Martine | The French National Research Agency (ANR), France | Cofund Biomarkers |
| Blery | Claire | Fondation pour la Recherche sur la Biodiversité (FRB), France | Cofund BiodiverSA3 |
| Breuer | Babette | Federal Office for Agriculture and Food (BLE), Germany | Cofund SusAn |
| Deygout | Chloé | The French National Research Agency (ANR), France | Cofund ERA4CS |
| Drescher-Petersen | Diane | Project management Jülich (PtJ), Germany | Cofund ERA-GAS |
| Kallio | Mika | Ministry of Agriculture and Forestry, Finland | WoodWisdom-Net+ |
| Karrasch-Bott | Marion | Project management Jülich (PtJ), Germany | ERA-IB |
| Kelly | Raymond | Agriculture and Food Development Authority (Teagasc), Ireland | Cofund ERA-GAS |
| Knizia | Henrike | Project management Jülich (PtJ), Germany | Cofund of JPI AMR |
| Koch | Magdalena | National Institute for Agricultural Research (INRA), France | FACCE |
| Krobitsch | Sylvia | Project management Jülich (PtJ), Germany | Cofund ERA CoSysMed |
| McKhann | Heather | National Institute for Agricultural Research (INRA), France | FACCE |
| Schulz | Nikola | Project management Jülich (PtJ), Germany | SUSFOOD |
| Tinois | Nicolas | Project management Jülich (PtJ), Germany | Cofund FACCE SURPLUS |
| Wiley | Paul | Biotechnology and Biological Sciences Research Council (BBSRC), UK | ERA-CAPS |
| Young | Kerry | Department of Energy and Climate Change (DECC) | BESTF |
| te Boekhorst | Dorri | Wageningen UR (WUR), The Netherlands | Reporter |
| Kovacs | Barna | European Commission | DG R&I F3 |
| Gayraud | Emmanuel | European Commission | DG R&I B2 |
| Niehoff | Jörg | European Commission | DG R&I B2 |



Annex III

List of Meeting Documents

1. Agenda
2. List of Participants
3. Map of the venue location

4. Comparison of ERA-NET, ERA-NET Plus, and H2020 ERANET COFUND
5. Basic information about Cofund
6. ERA-NET COFUND Financial Principle
7. In Kind ERA-NET COFUND overview
8. Responses to the PLATFORM Survey in preparation of the Master Class
9. Fund Management Overview