

APRE

Agency for the Promotion of European Research

*How to manage a research project
in FP7*

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Project Management

Your project should have been extensively planned at the proposal stage!

- Active monitoring is essential
- Early decisions to take corrective action
- Amend plans must be agreed

so that control of the project is not lost!

Management: Key definitions

What is “management”?

- The act, manner, or practice of managing; handling, supervision, or control
- The person or persons who control or direct a business or other enterprise
- The skill in managing; executive ability

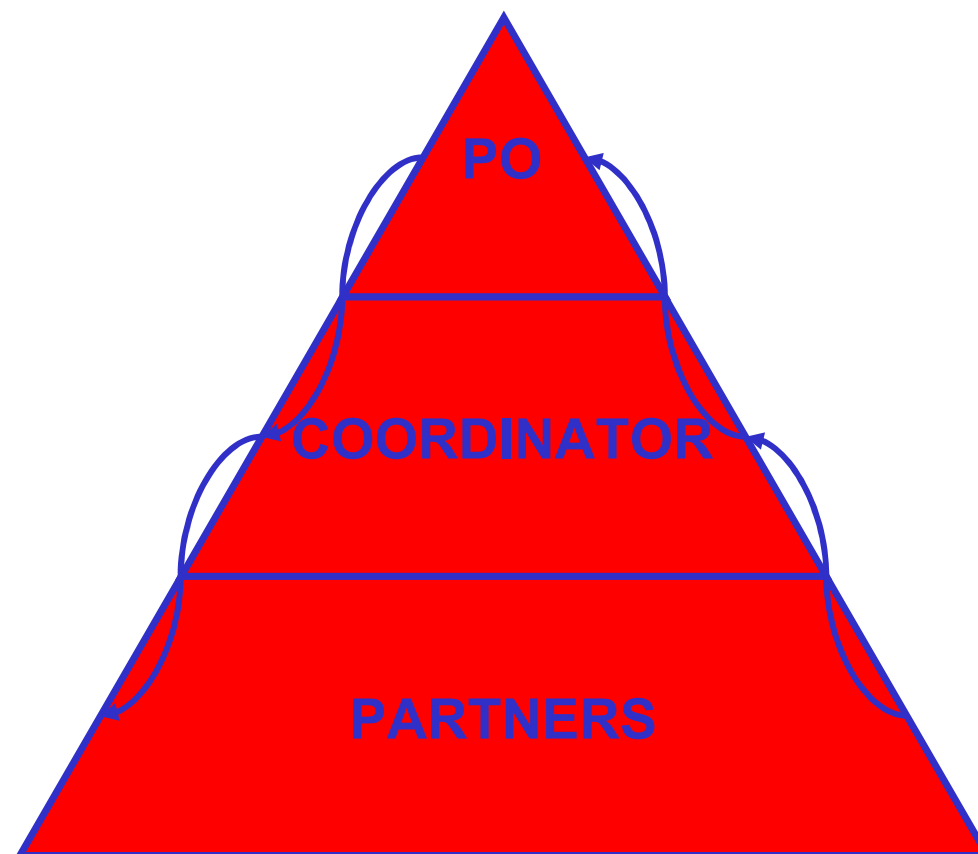
Is management important in FP7 projects?

- Yes! It is an element in all proposals, it is specifically evaluated and, usually, the associated cost is fully reimbursed

...But it concerns coordinators only, doesn't it?

- Not exactly. Management activities and relevant skills are needed by all partners

Who's Who in the project?



The scientific officer is the **first point of contact** with the Commission and is responsible to contact the coordinator on behalf of the Commission

The Scientific Officer is appointed at the beginning of the negotiation by the European Commission and is a member of the unit relevant to the project

The Scientific Officer reviews and approves:

- Project reports and
- Project deliverables

Overall coordination

- Progress monitoring of the technical activities of the project according to the predefined timetable
- Managing the resources
- Managing the contract with the EC
- Managing the consortium agreement with all participants
- Coordinating the organisation of meetings

Overall financial monitoring

- Distributing the funds to participants in line with contract and consortium agreement
- Gathering, monitoring and integrating financial and administrative data from partners
- Preparing annual and final reports to the EC
- Communication
- Communication with the European Commission on behalf of the consortium

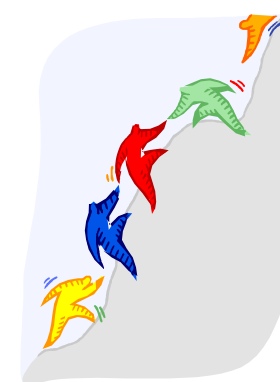
The tasks of the coordinator can not be subcontracted!

Project partners

The **partners** are responsible for carrying out work as described in the grant agreement with the Commission

Partners are responsible for:

- Reporting on their work as scheduled,
- Attending project management meetings and
- Abiding by communication rules as established in the consortium agreement

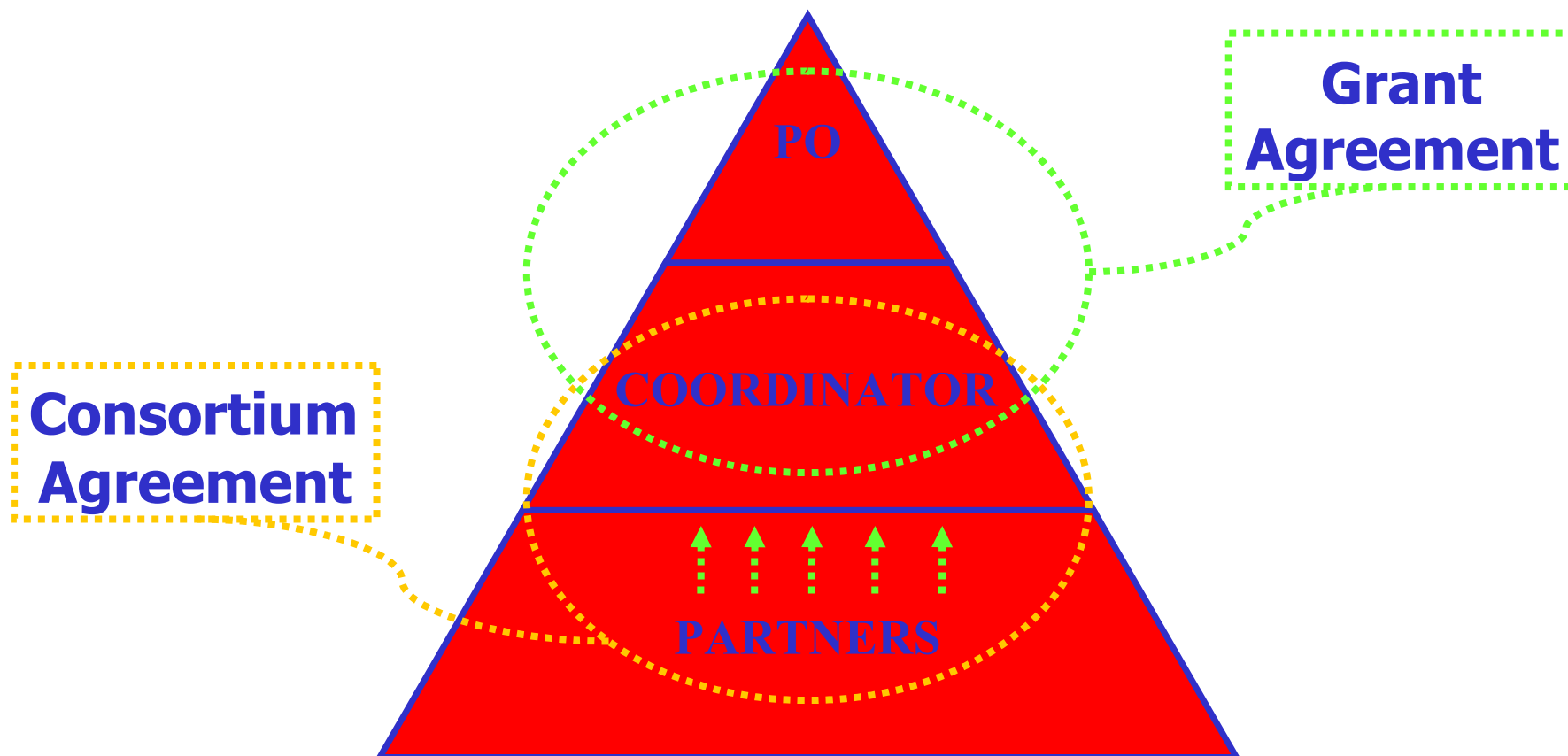




PHASE 1

The Negotiation

The negotiation phase



During negotiations

Practical remarks

The negotiation takes place between the Coordinator and an Officer on behalf of the Commission

1 vis-à-vis meeting (typically, in Brussels) could be organised

The process normally takes 2 negotiation rounds

Negotiations have to be completed within a fixed time period. The time allocated to negotiations mostly depends on the complexity of the chosen “funding scheme” (i.e., type of project)

It may be possible to have the grant agreement signed after the beginning of the project

The main points during negotiations

Grant Preparation Form (GPF) have to be prepared

Document containing informations required by the Commission in order to prepare the Grant Agreement:

- Details of partners (legal, administrative and financial)
- Check on partner data (and sometimes additional requests, e.g. bank guarantees)
- An adjustment of the project's funding is possible

Grant Agreement

- EC Grant Agreement is a contract between the European Community and the project participants (beneficiaries)
- The Grant Agreement establishes the main rights and obligations of the participants among themselves and towards the Commission
- It is signed by the coordinator on behalf /under mandate of the consortium
- It states all the conditions and clauses for the provision of funding, reporting and includes the technical description (Technical Annex/Annex I) of the work to be carried out
- The failure to comply with the terms of the Grant Agreement could result in partners being asked to refund payments

The Document of Work

The Document of Work (i.e., Annex I of the Grant Agreement) has to be finalized

- Reference document for the work of the consortium
- Facilitate the implementation and monitoring of the project
- Any recommendations of the evaluators are discussed
- Slight changes to the work foreseen are possible
- The structure and content are similar to that of Part B of the proposal

Consortium Agreement

- The Consortium Agreement ("CA") is an agreement made between participants in the 7FP
- The Community is not a party to these agreements and plays no active role in the choices made by the parties of the clauses
- The Consortium Agreement must comply with the Rules and the EC Grant Agreement; in case of contrast or gap, the latter always prevails
- A consortium agreement is required for all projects financed under the 7FP except those exempted from this obligation by the call for proposals to which they have applied

Main Issues ruled by the CA

- The internal organization of the consortium and the relative bodies of governance
- Activities and the budget of the beneficiaries
- Role and the powers of the coordinator
- Mutual responsibility of the parties (responsibility towards the Commission is ruled by the GA)
- Intellectual Property right and access right (to background and foreground)

During negotiations What can go wrong?

Errors in the A forms submitted can delay the process

Partners have to provide a negotiation mandate letter and work on the GPF and related documents promptly

Consortium changes are possible:

- Financially “fragile” partners may have to re-adjust their role
- Partners may decide to leave the consortium
- Budget changes requested by the Commission may require consortium changes

The final EU funding level (if changed) may not be acceptable by the consortium

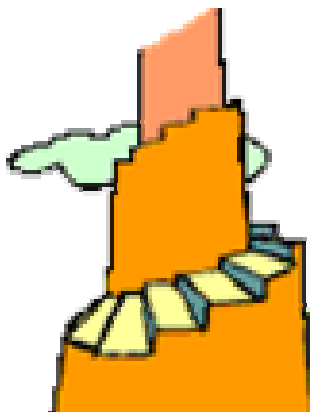
...BUT:

- Negotiations are very unlikely to fail
- Well-prepared negotiations are rather quick and very helpful for the project itself

Starting the project

After the signature of the Grant Agreement,

you can start working!



The start date of the project is usually the month following the signature

Kick-Off Meeting

LAUNCHING THE PROJECT TO THE SUCCESS!

To talk about:

- establish a common vision of the project amongst all partners
- develop working partnerships
- clarify the objectives of each work package
- discuss the work of the first few months of the project
- clarify expectation of the Commission from partners regarding reporting, recording work, etc



InJoy&Train Kick-off !!



Moscow, 31st of January 2006

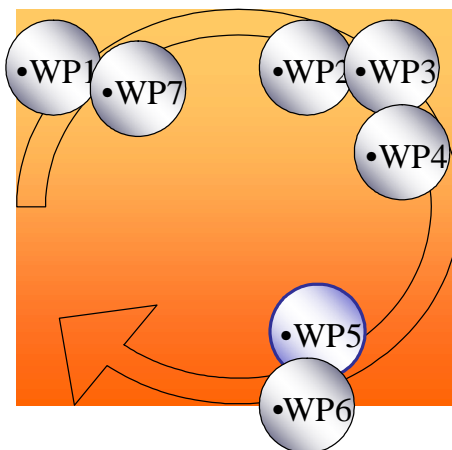
Running a project

An initial approach

How is a typical project structured?

- The work is split into convenient, interconnected Work Packages
- Each Work Package is comprised by Tasks
- Usually Tasks lead to Deliverables
- The work in each WP is coordinated by the WP Leader and the Coordinator

**E.g.: EPIST
project**



WP1: Project management

WP2: Survey of eHealth and eInclusion...

WP3: EPIST pilot portal

WP4: Promotion of..opportunities

WP5: Participation of NMS and ACC...

WP6: Assessment of progress...

WP7: Dissemination

Running a project

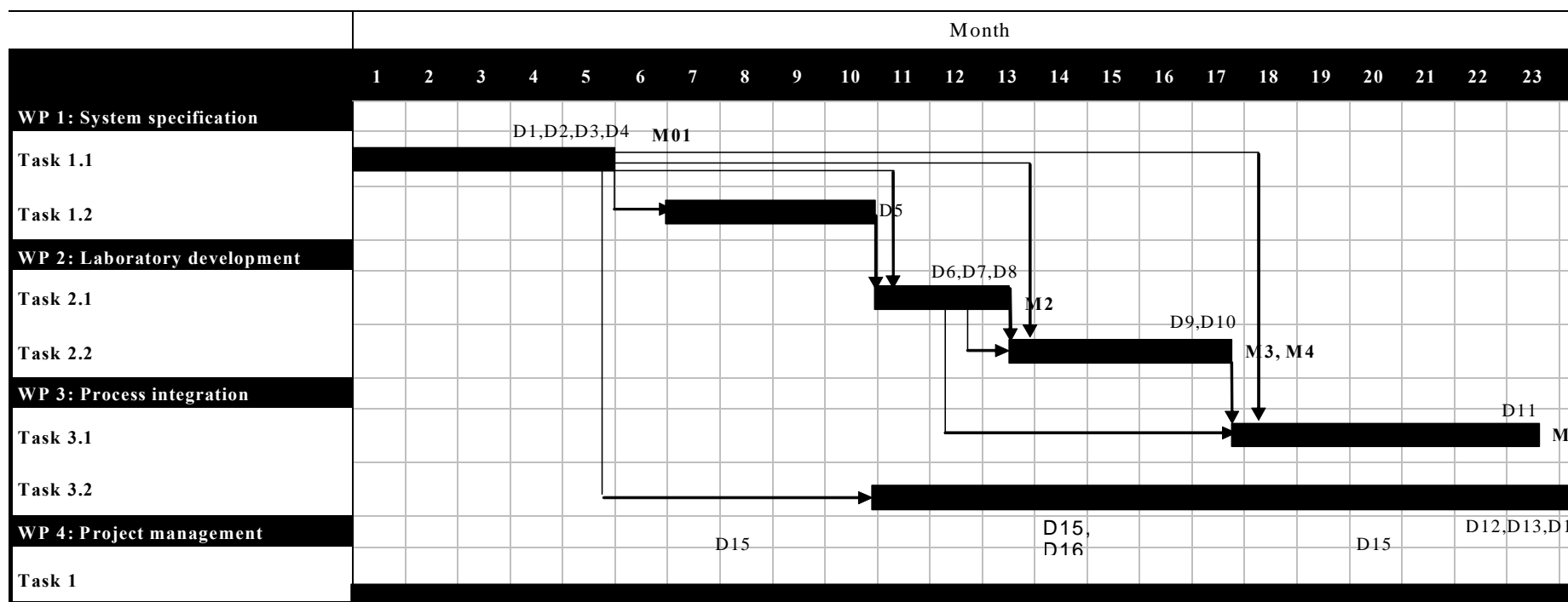
How is the management structured?

The management structure of the consortium is described in Annex I of the Grant Agreement

- The overall coordination is done by the Coordinator
- All communication with the Commission goes through the Coordinator
- Typically, the supreme decision-making body of a consortium is the Steering Committee, i.e., the group of all partner representatives
- Usually, a Coordinator is assisted by other groups, e.g., the group of WP leaders, or a “Scientific Committee”, etc
- Note: There is no “recommended” management structure. It should always fit the consortium and the work foreseen in the proposal

Activities monitoring

Useful tools: Gantt & Pert charts



Financial monitoring (1)

Timesheets are a useful instrument to keep a record of the labour effort engaged by each partner on the project

Prepare a timesheet form with reference to the project, for each person working on the project and to the hours devoted per week, month, year

There is no standard for the timesheet

The timesheet should be signed by the project officer of your organisation

Financial monitoring (2)

Timesheet: 2 examples

Month:

Staff	1	2	3	4	5	6	7	8	...	31	TOTAL
.....											
.....											
.....											
.....											
Tot. hours											

Signed:

Counter signed by grant holder:

Date:

Name:

Month:

No. of hours worked:

Date	Hours Worked	Tasks
1		
2		
3		
4		
5		
...		

Signed:

Counter signed by grant holder:

Date:

Reporting the EC

The Commission monitors the progress of the project through the **periodic reports** and **a final report** that all the participants are obliged to submit

All reports and deliverables shall be submitted **within 60 days** following the end of the reporting periods

Periodic reports have to be sent in time !



Reporting issues

- **Activity report:** it describes the work progress achieved in relation to the project objectives
- **Management report:** it shows resources used and costs incurred per contractor. It includes financial statements (Form C) and a summary report
- **Certificate on financial statements:** prepared by external auditors
- Depending on the instrument, additional documents may be needed (e.g., for IP/NoE, a draft planning for the next 18-month period)
- A report format is provided

Running a project Financial follow-up

In periodic reports, costs have to be compared to the figures defined during negotiations

Cost Budget Follow-up Table						*) total budget figures - not EC funding			
Contract N°:		Acronym:					Date:		
PARTI- CIPANTS	TYPE of EXPENDITURE (as defined by participants)	BUDGET	ACTUAL COSTS (EUR)					P ct. spent	Remaining Budget (EUR)
			Period 1	Period 2	Period 3	Period 4	Total	Total	
		e	a1	b1	c1	d1	e1	a1+b1+c1+d1/ e	e-e1
Part. 1.....	Total Person-month						0	0%	0
	Personnel costs						0	0%	0
	Major cost item 'x'						0	0%	0
	Major cost item 'y'						0	0%	0
	Other costs ('the rest')						0	0%	0
	Total Costs	0	0	0	0	0	0	0%	0
Part. 2.....	Total Person-month						0	0%	0
	Personnel costs						0	0%	0
	Major cost item 'x'						0	0%	0
	Major cost item 'y'						0	0%	0
	Other costs ('the rest')						0	0%	0
	Total Costs	0	0	0	0	0	0	0%	0

Running a project

What can go wrong?

Problem

Work progress is unsatisfactory

Assisting all partners proves to be extremely demanding task

Some partners perform less than expected

There are disputes over IPR

Possible reactions

Identify and document the problem, decide on alternative approaches

Management structures are described in the Annex 1, however their function can be determined in the course of the project. It may be possible to receive help from other partners, e.g. WP leaders.

Use flexible and efficient means of communication

**Try to resolve the issue amicably.
Use the provisions of the CA**

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Use the provisions of the CA**

Running a project What can go wrong?

Problem

The project cost escalates quickly

It seems necessary the change the actual workflow/ budget distribution/ etc.

All the costs of a party are less than the budget requested and estimated

Possible reactions

Identify the cause for the elevated cost. Seek viable alternatives without skipping deliverables. Ensure the consortium is aware of the issue. If the cost is necessary and the consortium chose to maintain a funds reserve then this can be used to meet the extra cost

In FP7 consortia have flexibility. However, it is best to seek advice from the Project Officer. If needed, request a contract amendment

The coordinator can re-allocate the budget, (and subsequently, the activities) prior communication to the EC

10 Tips for success

- 1. Choose your partners carefully, having the project in mind**
- 2. Discuss the proposal ensuring it is feasible for your organisation. Ensure you get the resources you need**
- 3. Clarify the main budget issues at the stage of the proposal**
- 4. Propose a flexible and sufficient management structure**
- 5. Conclude a clear Consortium Agreement**
- 6. Organise brief but productive project meetings and maintain an efficient internal communication policy**
- 7. Opt for frequent informal reporting (advancement reports) and do a good time management**
- 8. Build a good cooperation relationship among partners and with the Project Officer**
- 9. Ensure a quick funding distribution mechanism**
- 10. Never delay regular reports**

Concluding remarks

A project consortium works as a team. Management skills are essential for a coordinator but also very important for all the members of the group

A team of management-capable partners can work more efficiently and deliver results at a lower total “cost”

It pays off foreseeing the allocation of sufficient resources in order to have a good management structure

Key managerial tasks are documented. If needed, extra help may be available (e.g. NCPs)

Good management also builds on common sense

Reporting the EC (2)

The coordinator send to the Commission for **each reporting period**:

- a periodic activity report
- a periodic plan for using and disseminating knowledge
- a periodic management report
- the certificates on financial statement for each contractor

The coordinator collects all the reports from the partners and prepare an unique document

Reporting the EC (3)

The coordinator send to the Commission **after the end of the project:**

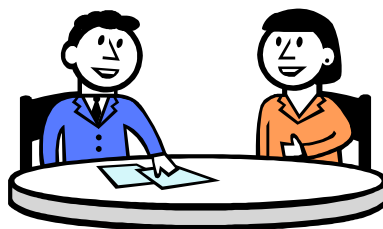
- a final activity report
- a final plan for using and disseminating knowledge
- a final management report

with the contribution of all the partners



a certificate on the costs incurred shall be compulsory **only** whenever the cumulative amount of interim payments and balance payments made to a participant is equal to **EUR 375.000** or more

the costs have to be **actual, economic, necessary**



Eligible costs of the project, must be...

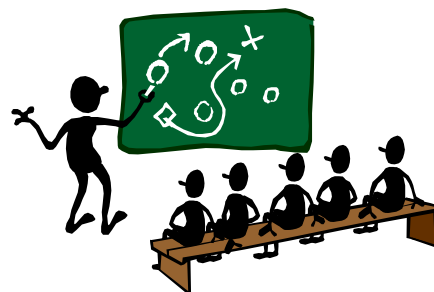
- actual
- incurred by the beneficiary;
- incurred during the duration of the project,
- determined in accordance with the usual accounting and management principles and practices of the beneficiary
- used for the sole purpose of achieving the objectives of the project and its expected results
- recorded in the accounts of the beneficiary;
- indicated in the estimated overall budget in Annex I

Non-eligible costs of the *project*:

- a) identifiable indirect taxes including value added tax,
- b) duties,
- c) interest owed,
- d) provisions for possible future losses or charges,
- e) exchange losses, cost related to return on capital,
- f) costs declared or incurred, or reimbursed in respect of another *Community project*,
- g) debt and debt service charges, excessive or reckless expenditure.

Residual obligations

The Commission may initiate a **technical audit** or review at any time during the implementation of the project and **up to up to five years after the end of the project**



Dissemination and Communication

**You have to disseminate your activities
and results!!**



All over the WORLD!!

Thank you for your attention!



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