



FP7 Quick info for National Contact Points July 2008

Unique registration of legal entities – appointment of LEARS; use of PICs in proposal submission

Following up to our Quick Infos of January and April 2008 on the same subject, here is an update on the situation and a request for support.

Latest news

- A list of all existing PICs with their legal entities is published now on CORDIS: http://cordis.europa.eu/fp7/urf-pic_en.html.

Current situation

- The URF Web interface (<http://ec.europa.eu/research/participants/urf/>) is in operation since 28 April. New entities can self-register online and LEARs can check the status of their organisations and introduce change requests online.
- More than 7500 legal entities are now validated and registered in URF. Among them about 1000 have nominated their Legal Entity Appointed Representative (LEAR).
- Applicants started using PICs in the proposal submission system (EPSS).
- The grant agreement negotiation system (NEF) is now fully synchronised with the URF. All participants in a consortium must be validated and possess a PIC before negotiations can be finalised.
- All fields in NEF related to existence and legal status of entities are read-only for all participants. If corrections are necessary, they have to be introduced via the URF or, if no LEAR is appointed yet, by contacting the central validation team (RTD-URF-VALIDATION@ec.europa.eu).
- New participants to be added to a consortium during negotiation have first to register in URF and receive a (provisional) PIC. Also such new participants have to be validated before negotiations can be finalised.

Where do we need your support?

1. **ENCOURAGE APPOINTMENT OF LEARs:** To make the system work properly, one Legal Entity Appointed Representatives (LEAR) has to be nominated as quickly as possible for each organisation involved in grants and negotiations. It would be much appreciated if NCPs could encourage their constituencies to do so. The forms and guidance for the appointment of LEARs are available at http://cordis.europa.eu/fp7/urf-lear_en.html.

2. **ENCOURAGE THE USE OF PICs** in EPSS: The use of PICs right from the start of proposal preparation simplifies the later handling of proposals in all procedural steps. Ideally, all entities having a PIC should use them in all proposal submissions from now on. It would be much appreciated if NCPs could encourage their constituencies to do so. The list of registered PICs and legal entities is now available for this purpose (http://cordis.europa.eu/fp7/urf-pic_en.html).

Topic of the day: the choice of the method for determining indirect costs ("Indirect Cost Method – ICM")

The FP7 rules for participation provide for several options to determine the indirect costs of a beneficiary participating in a project. This "Indirect cost method (ICM)" is stored in the URF as part of the attributes of the legal entity and will be applied to all grants in which the entity is involved. The available options for a given entity depend on the legal status of the entity, on the status of its accounting system and on the history of choices made in previous participations:

1. Real indirect costs	
1.a) Real indirect costs (at the level of the action)	available for all categories of participants
1.b) Simplified method	available for all categories of participants, unless they used 1.a) before
2. Flat rate	
2.a) Standard flat rate (20%)	available for all categories of participants, unless they used 1.a) or 1.b) before
2.b) Special transitional flat rate (60%)	available for non-profit public bodies, research organisations, higher and secondary education establishments and SMEs which are unable to identify with certainty their real indirect costs for the actions concerned, unless they used 1.a) or 1.b) before.

Use of special clause 30 to the model grant agreement – deviating ICM for a department

An exception to the rule of "one legal entity – one ICM" is possible for entities using one of the flat rate options (2.a) or 2.b)). In this case, a department of the entity having already a more precise accounting system can use the real indirect cost method (option 1.a)). The ICM of sub-departments is not registered in URF but has to be communicated to the responsible operational service during negotiation of the individual grant agreement so that it can be inserted in the grant agreement via special clause 30.

Important links

Guidance and forms for LEAR appointment:

http://cordis.europa.eu/fp7/urf-lear_en.html

URF interface for self-registration of new entities and for access by LEARs:

<http://ec.europa.eu/research/participants/urf/>

Technical helpdesk of URF:

DIGIT-EFP7-SUPPORT@ec.europa.eu

Mail box of Central Validation Team:

RTD-URF-VALIDATION@ec.europa.eu