

## **CPU (French University Rectors Conference) proposals concerning the Rules for Participation March 2012**

### General Principles :

- The CPU is aware of the EC's efforts towards simplification in the proposed H2020 financial regulations, and it particularly emphasises the value of such measures as : removing the ineligibility of the VAT ; of the requirement to open an interest-bearing bank account for pre-financing ; of the new limit for the submission of the certificate on the financial statements ; or the confirmation of the non-necessity for a timesheet for personnel recruited at 100% for a project.
- The CPU recalls the importance of preserving as an inviolable rule compliance with national accounting rules and the usual accounting practices of participants, including, for example, the choice of timesheet models, calculation of the number of productive hours, the mode of reimbursement for mission expenses, the calculation of the cost of personnel, etc. This information, moreover, should not be mentioned in a grant agreement. Similarly, the CPU is very committed to the notion of trust espoused by the EC towards participants, and their efforts concerning sound financial management.
- The CPU also recalls the need for financial regulations which define the framework of rules for participation, which are not intended to be modified or defined in annual Work Programmes. Similarly, grant agreements must contain only general information about the project, and not the internal procedures of financial management by the participants.
- It is important that the rules of participation are sufficiently open, in order to maintain the attractiveness and motivational nature of European projects for researchers.  
The CPU also wonders about the harmful effects of financial rules standardising the rules for participation, regardless of the specific participants or activities. In this regard, certain rules proposed by the EC are likely to discourage the participation of academic teams or other participants.

The key points calling into question the motivational nature of European research projects are :

- The CPU estimates as very unfavourable the level of co-financing proposed by the EC. It hopes for a level of funding for research and innovation of 75% for direct costs and 75% for indirect costs, and proposes to maintain 100% of direct costs combined with 20% of indirect lump sum fees for management activities. In addition, participants who have implemented a full-cost accounting, or who have had their Certificate on the Methodology accepted, should be able to continue using these methods.

In addition, the CPU considers that a ceiling on grants for projects must be provided in the call for proposals, which would allow a fairer competition among the projects, and a greater diversity of projects accepted on the criterion of excellence.

- The CPU considers that auditing the auditors is not acceptable. In fact, this would undermine the independence and neutrality that particularly characterise French public accountants. It also opposes the principle of extrapolation, which is not a criterion of better management.

- The CPU wonders about and regrets the imprecision of certain definitions or articles of the proposal which are likely to prejudice the filing and good control of the progress of projects, such as: definition of actual costs, eligibility of costs of permanent staff, eligibility of purchasing costs for equipment (NB: this is already allowed in certain structural funds) as well as expenses incurred by third parties. In any event, a more precise definition of the eligibility of costs seems necessary.
  
- Additionally, the CPU recalls that it is essential to maintain the concept of third parties and recognition of the eligibility of their indirect costs, regardless of the notion of premises. Finally, mention of third parties must be made in the technical annex, and not in the core grant agreement, with the exception of those specified via the special JRU [Joint Research Unit] clause. The CPU requests respect for agreements relating to management delegations planned in four-year framework contracts and/or in specific agreements, and recalls their inviolable nature for the appointment of the managing entity or coordinator of a contract.