



INTER

PROMOTION OF
INTERNATIONAL COOPERATION

Application Guidelines

APPLICATION GUIDELINES

INTER CALL

These guidelines provide practical information to potential applicants in preparing and submitting an application to the FNR's 'INTER Multi-Annual Thematic Research Programme'.

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1. Completing the Project Plan

The 'Project Plan' gives an overview of the project planning and presents the work packages (WPs) and tasks. It consists of a separate Excel workbook named 'INTER Project Plan.xls' containing one single worksheet named 'Project Plan'.

Please download it from the FNR's webpage.

The form is self-explaining and contains several examples. Please note that the Excel workbook is write-protected and that only white cells can be filled out. If the project is financed by the FNR, the same file and its worksheets will be used later on for monitoring as well. Therefore the worksheet contains presently hidden columns and rows not to be used for the application.

The first part of the form contains the following mandatory fields:

- Project Acronym
- PI Name
- Coordinating Institution
- Start Date
- End Date
- Reference Date (As Of) *Insert the date of your submission*
- Instance (Phase) *Select Submission*

The second part of the form lists the Work Packages (WPs) and planned outputs and presents them in time. It contains the following fields:

- Work Package *WP number*
- Related tasks *Task number*
- Name of Work Packages and related tasks *Should be short enough to enter the available space. Extensive descriptions of the WPs and tasks are already in the 'Full Proposal Form'.*
- Planned start and end date *For each WP and task enter the relevant dates in the format 'dd/mm/yy' or 'dd.mm.dd'. The Excel input and output formats depend on your system and MS office regional settings.*
- Actual start and end date *Used later for intermediary and final reports*
- Gantt Chart *Will be displayed when you insert the dates.*
- Deliverables *Just list them without description*
- Milestones *Just list them without description*
- Status *Select 'Not started' in the drop down list*
- WP or Task Leader *One single name per WP and task*

The worksheet must contain all work packages and tasks you describe in the Full Proposal Form. In any case, mention for any output the number(s) of the work packages leading to its completion.

If necessary, you may add additional tasks and work packages. Please refer to the procedure for adding additional WP2 described under the help flag in row 96.

2. Completing the Budget

Download 'INTER Budget.xls'

The 'Budget' allows the **financial planning** of the proposal for all the members of the project consortium. It consists of a separate Excel workbook named 'INTER Budget.xls' containing the following worksheets:

- **Coordinating Institution** (abbreviated 'COORD.'), **Contracting Partners 1 to 3** (abbreviated 'CONTR. P. 1', 'CONTR. P. 2' and 'CONTR. P. 3') are detailed budget forms for the Coordinating Institution and the various Contracting Partners. To add additional Contracting Partners please contact FNR.
- **Non-contracting Partners** (abbreviated 'NON-CONTR. P.') are estimated contributions by the 'Non-contracting Partners' and by 'International Co-funding Partners' in terms of personnel and financial effort.
- **Budget Summary** is a budgetary overview of the project.

Please download it from the FNR's webpage.

The form is self-explaining and contains several examples. Please note that the Excel workbook is write-protected and that only white cells can be filled out.

Additional rows may be added however if necessary.

2.1. Eligibility of Costs

To be considered eligible, costs must be real or based on lump sums (see chapter 2.4) and flat rates (see chapter 2.5). Certain types of costs may be indicated on a lump-sum basis (e.g. if they relate to operations routinely performed by the partner in question), provided the cost does not differ significantly from the actual cost and these operations are acceptable to the FNR. Where appropriate, calculations for lump sums need to be provided.

For future financial reporting the costs must be supported by evidence that they are real (recorded in the accounts of the beneficiary and supported by invoices for example), paid (supported by bank statements for example), and linked to the project.

The FNR distinguishes between direct costs (see chapter 2.4) and indirect costs (see chapter 2.5.).

2.2. Budgetary Flexibility

Applicants should note that during the course of the project, budgetary flexibility is given in order to allow for appropriate project management.

- 1) A reallocation of funds **within a budget heading** does not require the prior approval of the FNR and does not result in an amendment of the contract, provided the specific rules of the various budget headings are followed (a budget heading is defined as one of the main titles of the budget e.g.: Consumables, Travel, etc.).
- 2) A reallocation of funds **between budget headings** is not subject to the prior approval of the FNR provided that it satisfies the following criterion:
 - The reallocation does not modify the budget heading from which it is taken or transferred to by more than 20%.

The 20% criterion is NOT applicable to:

- increase unit rates applied to personnel costs or modification resulting in changes to profiles of personnel; and
- the budget heading “indirect costs (overhead)” (see chapter 2.5)

In cases involving a variation greater than 20%, a fully justified request for the modification has to be sent to the FNR at least 30 calendar days before the effective start date of the modification. After approval by the FNR, an amendment of the contract will be prepared if necessary. The amendment will be signed by both parties and will become an integral part of the contract. If the request is deemed unfounded by the FNR, the beneficiary will be advised in writing. The basis for the calculations is the FNR funded budget according to the contract.

Eligible project related costs can be expensed on the project budget until the end of the cost eligibility period that will be defined in the contract.

2.3. The Excel Budget Sheets

The Excel Annex provides Excel sheets that contain formats for an indicative breakdown of estimated costs for each partner and calendar year and the funding expected from the FNR.

Please also refer to these financial guidelines hereafter for specific rules concerning each budget heading.

The budget sheets are subdivided into direct costs (see chapter 2.4), indirect costs (see chapter 2.5) and external financial contributions (see chapter 2.5.2).

The Total Budget of a project is defined as follows:

=	Total Budget of a project
+	FNR contribution
+	External financial contribution
+	Institution's (*) own financial contribution

The FNR assumes that the difference between “the total budget” and “the FNR contribution plus the external financial contribution” is covered by the institution (*).

(*): Institution refers to the contracting partners (if applicable).

The budget forms must be completed for each phase (yearly approach) of the project and each contracting partner, giving an estimate of the eligible costs required and the amount of funding expected from the FNR.

Fill in the worksheets named ‘COORD.’ etc. by completing the white cells. All other cells are locked for editing. Additional rows can be added if necessary.

Additional justification and information should be given in “INTER Budget Details.doc” form.

2.4. Direct Cost

Direct costs are all those eligible costs which can be attributed directly to the project and are supported by an auditable record.

VAT is not an eligible cost in case the institute can recover VAT from the Luxembourg tax authorities in conformity with Luxembourg indirect tax regulation.

The defined FNR direct eligible costs categories are explained hereunder.

2.4.1. Personnel Costs

This budget line refers to the personnel allocated to the project. The payroll costs of all staff, full or part-time, who directly work on the project, and whose time can be supported by a full audit trail, may be included. The concerned staff must have a work contract with the institution eligible at the FNR. The need for such staff should be justified in the application form. The FNR will not cover costs of persons already funded by the State or by other funding sources.

The FNR will only finance the profiles of the personnel indicated in the budget sheets of the application. For each position type requiring less than 3 person*months, please group the different staff (e.g. technicians, administrative staff, students) in one single item. Changes of profile (e.g. Post-doc to technician) have to be requested in writing in advance and receive formal approval by the FNR. An amendment of the contract will be prepared if necessary.

The project may involve researchers who still need to be hired by the institutions but the respective responsible persons in the institutions need to make sure that the project is able to start at the latest 6 months after formal approval by the FNR. The applicant should state how he/she will make sure that the new personnel are in place for the start of the project.

Lump sums for staff categories may be used provided these are based on a real-figure calculation (which must be added and explained in the application form).

The salary of PhDs and associated costs (travel, consumables, overhead) may be covered by INTER project funding provided that the PhD works 100% on the project during the whole project duration. Costs for PhD salary and related overhead costs (flat rate, see chapter 2.5), the project related conferences in Luxembourg and publications can be claimed for up to one year after the INTER project end. The INTER project duration will remain the same as fixed in the INTER project contract.

Other sources of funding for PhDs and Postdocs can be institutional funds or AFR grants¹. The FNR encourages the involvement of (Bachelor or Master) students in the project in order to strengthen their interest in research.

The FNR expects project staff to use timesheets so that their actual time is recorded against a project to form the basis of the costs charged. Where a person is contracted to work 100% of their time on a single project (whether they are working full-time or part-time), timesheets are not necessary as their costs can only be charged to that activity. In all other cases, timesheets or project time records are required. This includes those who may be contracted to work on two or more projects, since it is essential when charging to have a means of recording and verifying the actual time applied to each activity.

Please indicate for each research person working on the project:

- Name and first name;

¹ Additional costs (overhead (flat rate), consumables, etc.) for externally funded PhDs and Postdocs are eligible project costs. For further information on AFR PhD and Postdoc grants please refer to: www.fnr.lu/AFR

- Function or staff category (post-doc, research nurse, PhD, etc.);
- How many person*months the person will work over the course of the project;
- Monthly salary (lump sums for staff categories may be used);
- Whether the person is already on the payroll or will be recruited specifically for the project;
- How much of the estimated amount is to be covered by the FNR.

2.4.2. Equipment

This budget line is for new equipment dedicated to the project. This includes, but is not limited to, laboratory/workshop equipment (including computers and servers), software and installation costs.

Please indicate in “INTER Budget Details.doc” form and the Excel sheet respectively:

- the precise nature of equipment with specific technical requirements;
- its unit cost and number of units;
- its relevance to the project;
- the necessity of the equipment taking into account the equipment currently available in the institution;
- its useful life according the institutions’ policy, the depreciation method (e.g. straight line)
- the portion of the equipment used on the project, the amount of use (percentage used and time) must be auditable
- its use beyond the project with the indication of the residual value (if applicable)
- its use by other national or international research groups/institutions (if applicable).

Large equipment which is more expensive than € 25,000 will only be funded to the pro-rata of its use within the project, duly taking into account the depreciation rules within the research organisation.

For example:

- project duration: 3 years
 - equipment acquisition costs: € 50,000 in the first year of the project
 - useful life: 5 years, straight line method (€ 10,000 per year) assuming a residual value of € 0,00
 - portion of the equipment used on the project: 75% of time used (3 years in present example)
- ➔ Eligible costs (pro-rata) amount to € 22,500
 $3 \text{ (remaining years)} \times € 10,000 \text{ (depreciation per year)} \times 75\% \text{ (percentage use)} = € 22,500$

For equipment which is to be developed during the course of the project, or sub-equipment which may not be functional if used individually (for tests, upgrading and trials) and where the development costs exceed € 25,000 (total costs, not individual assembly parts) it is recommended to foresee own institutional co-funding and to indicate the co-funding source for all equipment.

The FNR may decide to limit its funding on a case by case basis.

For equipment costs over € 100,000 (FNR part and own funding combined), a business and/or utilisation plan is required at submission stage.

The FNR will only finance equipment listed in the original proposal. Additional equipment has to be requested in writing in advance and receive formal approval by the FNR. This modification will not result in an amendment to the contract.

2.4.3. Consumables

This budget line is for consumables necessary for the project realization. Consumables are goods that can be consumed or spent. They are not individual parts of a prototype, upgrade, parts to extend existing equipment. The applicant needs to indicate the nature (chemicals, Glassware, etc.) of the consumables and justify the estimation of the total costs and requested budget in "INTER Budget Details.doc" form. The total amount can be indicated as a lump sum in accordance with the institutions' rules.

Lump sums for various consumable categories may be used provided these are based on reasonable assumptions.

2.4.4. Travel Cost

This budget line is for travel and related subsistence costs in relation to the project. The FNR will cover the real costs for travel, training, subsistence and conference participation fees. Expenditures should be in accordance with the institution's own regulations.

To avoid administrative burdening at submission and in order to give the applicant team (including the PhD student) the necessary flexibility, the budget for travel costs, training, subsistence and conference participation fees is calculated on a lump sum basis:

€ 2,000 per year and per 12 person*months (in relation to the total project effort). For PhD students a maximum of € 6,000 (3 years * € 2,000) can be allocated.

It is therefore essential to provide the total person*months effort of all the people working on the project. If the project team requires a higher budget for travel, please justify in detail the amount in "INTER Budget Details.doc" form.

The FNR expects that all researchers involved in the project (in particular the PhD students) may benefit from the travel and training lump sum provided by the FNR.

2.4.5. Subcontracting

This budget line is for costs related to services provided by subcontractors. Contracting partners may subcontract specific services (limited in time and scope) essential for the realisation of the project but not central to it, in case this work cannot be directly undertaken by one of the partners. It is understood that subcontracting cannot be provided by contracting or non-contracting partners of the project. This would be regarded as a direct scientific contribution to the project and should be budgeted for the partner in the appropriate budget line. Sub-contracting to non-contracting partners is therefore explicitly not possible as it is considered a circumvention of the laws and regulations defining the direct beneficiaries of project funding by the FNR.

All subcontracting costs need to be duly justified. Please describe the service, indicate the price, the duration of the service and specify the reason why you revert to a third service in "INTER Budget Details.doc" form:

The FNR limits the subcontracting costs to a maximum of 25% of the FNR requested funding (without indirect costs).

In addition:

1. The subcontractor (person and institution) has no IP rights;
2. The subcontractor has no publication rights on tangible project outputs;
3. Consultancy fees for scientific advisory boards set up by the PI are not eligible project costs.

2.4.6. Other Costs

This budget line is for costs that cannot be listed within one of the previous budget headings. They include, but are not limited to:

- Organization of Scientific Conferences held in Luxembourg;
- Scientific Publications (peer reviewed articles, monographs, conference proceedings as well as PhD publications) related to the project;
- Documentation (not expected in institutional libraries);
- Initial submission costs for the protection of a patent, license, trademark, etc.;
- Costs generated by the use of existing equipment within partner institutions. This may include rental/access charges for equipment or analysis costs. Please specify in the application form:
 - The type of equipment in question.
 - Justification of the costs.
 - Information on whether the existing equipment was purchased by the State.
 - Its residual useful life, and details of the calculation on which the budget estimate figure is based.
- Field work/fees.
- Recruitment and advertising costs for staff directly employed on the grant.
- Equipment-related items, such as relocation, maintenance (external contracts/agreements).

Depreciation costs of equipment which has been completely funded by the FNR in other projects cannot be included here.

Equipment which is to be developed during the course of the project is not eligible under this heading (see 2.4.2 Equipment).

The nature of the costs and their relevance to the project has to be explained in detail in 'INTER Budget Details.doc'.

2.5. Indirect Cost

2.5.1. Overhead

This budget line defines the method of calculation of indirect costs. Indirect costs, also called overheads, are all the structural and support costs of an administrative, technical and logistical nature which are cross-cutting for the operation of the institution's various activities and cannot therefore be attributed in full to the project.

The nature of an indirect cost is such that it is not possible, or at least not feasible, to measure directly how much of the cost is attributable to a single cost objective.

Examples might be, but are not limited to, costs related to the general operation of the institution such as maintenance, insurance, petty office equipment, ... and costs related to horizontal services such as administrative and financial management, human resources, legal advice, etc.

The FNR applies the Full Cost with Flat rate model (FCF), where direct costs are reimbursed on the basis of the actual incurred (real) costs and overheads are reimbursed on the basis of a flat-rate (25% of direct costs minus subcontracting).

#	FNR eligible costs	Basis
1	Personnel costs	YES
2	Equipment	YES
3	Consumables	YES
4	Travel costs	YES
5	Subcontracting	NO
6	Other costs	YES
A = $\sum((1-6)-5)$	TOTAL	Sum
B = 25% x A	Overheads	25% x Sum

The FNR provides a standard flat rate for overhead costs of 25% of the direct cost (not including subcontracting) for all newly funded projects as of 1 January 2014. Overheads cannot be claimed by public administrations.

2.5.2. External Financial Contribution

Sources of funding outside of the FNR and the contracting institution should be indicated. Grants such as 'Aides à la formation-recherche' (AFR) are considered an external source of funding. Please indicate the total of the projected grant support in the Excel sheet. Other external financial contribution could be a donation by a charitable organisation, revenues from licenses, etc.

Contributions by non-contracting partners (i.e. the partner's research effort in the frame of the project) are not considered as an external source of funding. These contributions should be indicated in the excel sheet 'NON-CONTR. P.'.

2.6. Contribution by Non-contracting Partners

The worksheet 'Non-contracting Partners' (abbreviated 'NON-CONTR. P.') presents estimated contributions by the 'Non-contracting Partners' and by 'International Co-funding Partners' in terms of personnel and financial effort.

Please provide an estimation of the contributions of each of the '**Non-contracting Partners**' to the project in terms of person efforts and estimated budget.

If you apply for 'International Co-funding' indicate the name of the International Funding Agency.

In the following rows, list the '**International Co-funding Partner(s)**' which shall receive funding by the International Funding Agency and provide an estimation of its contribution in terms of person efforts and estimated budget.

2.7. Budget Summary

The worksheet 'Budget Summary' provides an overview of the budgetary and person*months efforts by each project partner.

Please complete the following fields:

- Reference Number of the Project
- Project Acronym
- PI Name

Note: The rest of the worksheet does not have to be completed manually but will be automatically populated with the data that you input in the previous sheets.