

ITEA Contribution rules 2023

According to Article VII.1 of the ITEA 3 & ITEA 4 Frame Agreements, all costs covered by the approved ITEA budget will be borne by all ITEA partners. The ITEA Contribution Rules -2023 describe the detailed ITEA contribution rules, which are based on the eligible planned partner costs for 2023 as defined in their national funding contract. The Contribution Rules - 2023 are approved by the ITEA Board.

Responsibilities

1. The technical contacts of each project partner and/or the national project coordinators are responsible for providing the national funding contract data to the ITEA Office for their respective organisation and the country consortium¹ whenever requested by the ITEA Office.
2. The ITEA Office is responsible for collecting the eligible planned costs from the national funding contracts and for calculating and invoicing the **contribution fee** to be paid by each ITEA partner.
3. The ITEA Board is responsible for determining and approving the contribution rules and the annual **ITEA contribution fee rate**.

ITEA Contribution based on 'Contracted costs'

The contribution invoicing process which is based on contracted costs provides transparency of the contribution invoicing and reduces the overhead for project leaders to deliver administrative Change Requests.

According to the ITEA Rules and Regulations, all project partners are obliged to share their national funding contract data with the ITEA Office when requested. The ITEA Office will contact the Public Authorities first to collect the approved national contract data. If the Public Authorities cannot share the national contract data due to internal confidentiality constraints, the ITEA Office will ask related project partners to provide a copy of the approved national funding contract. The eligible planned costs that are indicated on the approved national funding contract are called 'Contracted costs', and these are the base figures for calculating the ITEA contribution fee.

Adaptation of a national contract based on realised effort is not accepted as a change in the national contract.

Once the ITEA Office receives the information stated in the national funding contract concerning the eligible planned costs, these costs will overrule the planned costs stated in the last approved FPP.

¹ See ITEA Rules and Regulation 2022 Article 6.4

General rules for the 2023 Contribution

1. For 2023, the ITEA contribution fee due per partner is 1.5 % of the 2023 ‘Contracted costs’ for that partner.
2. The invoice payment term is 30 Days.
3. Exempted from contribution in 2023 based on ‘Contracted costs’ are:
 - a. partners for whom public funding have been rejected.
 - b. partners that decided to participate at their own costs without receiving public funding for 2023.

Invoicing procedure

1. A partner is regarded to be funded based on clear evidence² that a national funding contract exists. When there is no evidence that an approved national contract exists, no invoice for an ITEA contribution fee will be sent.
2. The eligible costs per partner as mentioned in the national contract are stored and fixed in the ITEA project database as ‘Contracted costs’ by the ITEA Office; if the costs are not specified per year, then the ITEA Office allocates the costs proportionally over the years in which the project is running. Contracted costs are indicated on the ITEA Community website by a handshake icon and cannot be changed by the partners.
3. The national contract is specified in the national currency and the contracted costs will also be stored in the ITEA project database in that national currency. The contribution fee will be invoiced in euros based on the first available exchange rates^{3 4} in December of previous year for the first instalment and June for the second instalment of the year.
4. If there is evidence that the national contract exists but the contracted costs are not yet shared with the ITEA Office, then the FPP planned costs will be used for invoicing. In this case, no downward correction will be allowed, even if the ITEA Office receives the contracted costs at a later stage.

² Clear evidence means that either the ITEA Office has a copy of the approved national funding contract in which the ITEA Office can check the total eligible planned costs and the duration of the national funding contract, or that the existence of a funding contract is confirmed by the Public Authorities, etc.

³ The ITEA Office uses the exchange rate published by the European Central Bank. (https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html)

⁴ If the reference exchange rate of a currency is not available at the European Central Bank, the ITEA Office will use the exchange rate published by a central bank (monetary authority) that manages the currency.

5. The contracted costs will only be changed by the ITEA Office to reflect official changes in the national funding contract. Project partners should inform the ITEA Office whenever such changes happen. Changes in the national funding contract can only apply to the future.
6. The submission of a Change Request (CR) is not needed to update the eligible planned costs for invoices for the ITEA contribution fee.
7. The ITEA Office invoices the annual contribution for each partner in ITEA in advance in two six-monthly instalments: 50% in January and 50% in July. In specific cases, invoices may also be issued later during the second half of the year.
8. Project leaders will be informed at least one month before invoicing to remind project partners to share the national funding contract information with the ITEA Office. Each project partner will be informed individually about the exact amount of the invoice to be able to request Purchase Orders if needed.
9. Exceptions:
 - If a project finishes in the first half of the year, only one full (100%) annual contribution invoice will be issued in the first invoicing instalment of the year.
 - If a project starts after the first invoicing date of the year, only one full (100%) annual contribution invoice will be issued in the second invoicing instalment of the year.
 - If a project starts after July, the invoicing amount of the year will be added to the first invoicing instalment of the next year.
 - If a funding contract of a partner becomes available after July, the invoicing amount of the year will be added to the first invoicing instalment of the next year.
10. Each contribution invoice consists of:
 - a full or 50% instalment of the annual contribution fee.
 - a possible addition for the contribution due up to the current invoice period which was not invoiced during the previous invoice period.

References

1. ITEA 3 Frame Agreement – Version V, 2 July 2013 (approved 4 November 2013)
2. ITEA 4 Frame Agreement – Version 6.0, 18 May 2021
3. ITEA Rules and Regulations – Version 21, September 2022

Frequently asked questions

Questions:

ITEA Contribution rules 2023

1. **Why do ITEA partners need to pay fees?**
2. **What obliges partners to pay these fees?**
3. **What happens if a partner does not pay its fees?**
4. **Can you explain the figures we have on our invoice? To what exactly is the contribution rate applied?**
5. **Why are invoices based on planned costs?**
6. **Can we change our total costs?**
7. **We indicated in the latest project progress report (or review) that we have underspent, and we provided figures on our exact spending. Why do we have to report this again online?**
8. **We have received a draft invoice that we cannot accept, as the figures are wrong. What should we do to receive an invoice with the correct data?**
9. **Can we know the exact amount of fees that we will have to pay for the whole project?**
10. **We have only been granted funding for the first (or second) half of the year: what should we do?**
11. **Our funding suddenly stopped: do we still have to pay the ITEA fees?**
12. **We want to opt out from the project, so how should we avoid further invoices?**
13. **The project has started, but our funding decision is not yet known. Do we have to pay fees?**
14. **The funding decision for our organisation is known to be positive, but we haven't yet started contributing as we haven't yet received the actual contracts. Do we have to pay fees?**
15. **Our project has started, but we need to set up a considerable CR as the project has drastically changed since the FPP submission. This will take some time: can we thus postpone the invoices?**
16. **Our project has not yet launched internationally, but our national consortium has signed the funding contract; do we need to pay the ITEA contribution fee?**
17. **Our international ITEA project has been completed, but our national consortium has remaining project activities and funding; do we need to pay the ITEA contribution fee?**
18. **We are a research organisation; do we need to pay the ITEA contribution fee?**
19. **Our national funding contract has changed during the project: what should we do?**
20. **We have a very specific case which doesn't fit in any of the above questions: what should we do?**

Answers:

Answers as detailed below are directly derived from the ITEA Rules & Regulations.

1. **Why do ITEA partners need to pay fees?**
 - ITEA is a non-profit association: the operational costs for running the ITEA Programme are paid through an annual contribution by the public funded participants of the Programme. To ensure financial balance, the annual budget and contribution rules are approved by the ITEA Board.
 - The ITEA operation costs include the management of the Calls (opening, evaluation, monitoring, etc.), support to projects, ICT (public and Community websites), communication (organisation of events like the PO Days, promotional events, support to project dissemination, e.g., through magazine articles, etc.), etc.

2. What obliges partners to pay these fees?

- All project partners are due to sign a Declaration of Acceptance (DoA) as a pre-requisite for participating in an ITEA project. This DoA commits them to these invoicing rules.

3. What happens if a partner does not pay its fees?

- Not abiding to the ITEA Rules & Regulations, including these contribution rules, can lead to exclusion from the ITEA Programme.
- The ITEA Office manages its debtors (when due fees are not paid despite reminders) like any other organisation and may resort to legal measures where appropriate in extreme cases.

4. Can you explain the figures we have on our invoice? To what exactly is the contribution rate applied?

- For a first (or second) semester, the fees to be paid correspond to the contribution rate applied on half of the contracted planned costs of the current year at the first available exchange rate in December of the previous year (or in June) for the respective organisation. The respective planned costs are taken from the signed national funding contract. If the costs are not specified per year on the national funding contract, then the office allocates the cost proportionally over the years in which the project is running. We do not manage semester-specific costs: we simply divide the total annual costs equally to both semesters.
- Invoices are considered individually per project.

5. Why are invoices based on planned costs?

- The invoices are based on planned costs and not on the spent costs to ensure the sustainability of the ITEA organisation through financial consistency and predictability.

6. Can we change our total costs?

- Changes in total costs data can only be approved whenever there is a modification in the agreed national funding decisions, which needs to be confirmed by the relevant Public Authorities.
- NB: If partners add self-funded costs on top of what was agreed in the national contracts, then they do not need to report these added costs to the ITEA Office.

7. We indicated in the latest project progress report (or review) that we have underspent, and we provided figures on our exact spending. Why do we have to report this again online?

- Invoices are based on planned costs as specified in the national funding contract, not on actual costs spent, so you do not need to report actual cost spending figures online.

8. We have received a draft invoice that we cannot accept, as the figures are wrong. What should we do to receive an invoice with the correct data?

- If the contracted costs are not correctly reflected on the payment sheet, please contact the ITEA Office as soon as possible.

9. Can we know the exact amount of fees that we will have to pay for the whole project?

- You can make a good approximation of the total fees you will have to pay for the whole project despite not knowing the exact total.

- Before each invoice round each partner receives a detailed invoice specification per project. You can use this specification to predict the future invoices.
- The total fees you will have to pay correspond to the annual contribution fee rate applied to the costs over each project year, as defined in the approved national funding contract.
- The contribution rate is defined and approved each year by the ITEA Board.
- Consequently, the total fees that will have to be paid depend on how the contribution fee rate may evolve.
- If the eligible planned costs as specified in the national funding contract are changed during course of the project, the total fee amount will be changed accordingly.

10. We have only been granted funding for the first (or second) half of the year: what should we do?

- We only manage funding on an annual (not monthly) basis, so fees apply to the costs of all years in which funding has been granted. On the other hand, partners are exempted from ITEA fees for all the years in which no funding has been received.

11. Our funding suddenly stopped: do we still have to pay the ITEA fees?

- Partners still must pay fees for any year covered by the national funding contracts. However, partners whose funding has stopped are exempted from fees for all subsequent years (if no new funding contracts are signed).

12. We want to opt out from the project, so how should we avoid further invoices?

- If you withdraw during the lifetime of a project (i.e., after having contributed), you must prove the nullified costs and effort for the forthcoming years (and update those of the current year, if relevant) in the national funding contract. Furthermore, a confirmation from the relevant Public Authorities is needed.

13. The project has started, but our funding decision is not yet known. Do we have to pay fees?

- No. Partners who have not signed the national funding contract should not yet receive invoices. If you receive an invoice in such a case, please contact the ITEA Office and explain that your funding contract has not yet been signed.

14. The funding decision for our organisation is known to be positive, but we haven't yet started contributing as we haven't yet received the actual contracts. Do we have to pay fees?

- No, Partners who have not signed the national funding contract should not yet receive invoices. If you receive an invoice in such a case, please contact the ITEA Office and explain that your funding contract has not yet been signed.

15. Our project has started, but we need to set up a considerable CR as the project has drastically changed since the FPP submission. This will take some time: can we thus postpone the invoices?

- If the signed national funding contract is available, it will be the basis for the invoice and partners are obliged to pay it in time.

16. Our project has not yet launched internationally, but our national consortium has signed the funding contract; do we need to pay the ITEA contribution fee?

- When the signed national funding contract is available, partners are obliged to pay the ITEA contribution fee.

17. Our international ITEA project has been completed, but our national consortium has remaining project activities and funding; do we need to pay the ITEA contribution fee?

- When the international project has been completed, but a subset of partners is continuing the project as indicated on the national funding contract, these partners are obliged to pay the ITEA contribution fee.

18. We are a research organisation; do we need to pay the ITEA contribution fee?

- In ITEA 3 and ITEA 4 all funded partners are obliged to pay the ITEA contribution fee.

19. Our national funding contract has changed during the project: what should we do?

- Please share the changed national funding contract information with the ITEA Office as soon as possible. If you have already received an invoice, updated contract information will be reflected in the next invoice period if applicable.

20. We have a very specific case which doesn't fit in any of the above questions: what should we do?

- Please contact the ITEA Office.