

Protocol of questions and answers from 6th March 2023.

Q1: Is RFCS funding possible if the project idea has no reference to the EU taxonomy?

A1: During the evaluation process, independent expert evaluators will assess whether the proposal matches the themes, priorities and objectives of the call. Including a reference to the EU taxonomy is not a mandatory requirement.

Q2: How is the financial capacity for new participants/partners checked?

A2 During the evaluation process, independent expert evaluators will assess whether the claimed financial resources are clearly described, well defined and appropriate (criterion Quality and efficiency of the implementation). The financial capacity check will be carried out by specialised EC services during the grant preparation, i.e. only for proposals selected for funding. The fact that a participant is new (i.e. participates for the first time to a RFCS Call) is not relevant. At the financial capacity check stage, participants (depending on their legal status and EC grant amount requested) will be invited to upload related documents in the Participant Register (e.g. profit and loss account and balance sheet, business plan etc.). This analysis will determine if a participant has stable and sufficient financial resources to successfully implement the projects.

Q3: The exact meaning of the term "sequencing" is not fully clear. Are there any limits to the sequencing of funding and if so, what would be those constraints? Could you please provide a clarification?

A3: Sequencing in the context of funding for EU projects typically refers to the possibility of complementing the activities carried out in an already funded project under the same EU funding programme or other EU financial instruments. This is allowed if no costs for the same activity are funded twice from the EU budget (no double funding). This is a fundamental principle underpinning the rules for public expenditure in the EU.

Q4: Consortium Agreements do not need to be shown to REA, but what needs to be proven in this regard and how is this checked by REA?

A4: The CA is a document setting up internal arrangements within the consortium. The CA is mandatory and shall be signed before signing the Grant Agreement. REA will not request a copy of the CA. However, REA reserves the right to request a copy in case of exceptional or unforeseen circumstances. The participants commit to preparing a CA by encoding the corresponding box in the Funding and Tenders portal.

Q5: It has been confirmed, that national funding can be used to co-finance RFCS funding, if there is no link to EU-funds. How does this apply to projects funded under the framework of Important Projects of Common European Interest (IPCEI)? How is it for national projects funded by funds from the Recovery and Resilience Facility (RRF)?

A5: Cumulative funding is not allowed in case of EU funding and EU-supported national funding (e.g. RRF funds) due to double funding rule. However, this does not apply to purely national funding with no EU link. Therefore, if IPCEI-projects solely use national funds, co-financing is allowed.

Q6: Are there limitations to follow up funding for depreciation of equipment, infrastructure or other assets possible?

A6: Cost may only be claimed once in a single project. For an existing equipment, infrastructure or other assets that are going to be used in a project: a share of depreciation for those equipment, infrastructure or other assets can be claimed corresponding to the use during the project's duration.

Q7: 54 months is declared as max. project duration – is a follow-up funding for a demonstration/pilot plant that has been built during the project duration possible?

A7: The duration of the projects is indicated in the call document as a range between 36 and 54 months. However, other durations are possible and acceptable, if justified. A follow-up funding is not automatically granted. Participants need to submit a new proposal and eventually, following the evaluation process, can be selected for funding. Please see question 3 on "sequencing".

Q8: What is the maximum project extension possible?

A8: There is no maximum project extension. Extensions of the initially foreseen duration of a running project must be well justified and plausible and a decision will be made by REA on a case by case basis. The outcome of the decision may be to grant or to refuse the extension. Some specific exceptional situations, for example the difficulties related to the recent pandemic, might also raise a request for extension of the duration for a number of projects.

Q9: The project share for sub-contracting-costs is limited to 30%. In practice it can be larger, particularly for larger projects. How can this problem be solved?

A9: Subcontracting should normally constitute a limited part of the project activities and must be performed by third parties (not by one of the beneficiaries/affiliated entities). Subcontracting going beyond 30% of the total eligible costs must be justified in the application. Please bear also in mind that the roles should be attributed according to the level of participation in the project and that main participants should participate as beneficiaries or affiliated entities. The decision of the consortium to not include the subcontracting entity as beneficiary/affiliated entity should be clearly explained in the proposal, and even more when the amount of subcontracting is high.

Q10: Is a submission of projects exceeding the 30% of subcontracting costs possible?

A10: Yes. However, subcontracting going beyond 30% of the total eligible costs must be justified in the application.