

ANNEX III – NETWORKS OF EXCELLENCE

III.1 – Definitions

In addition to the definitions in Article II.1, the following definitions apply to this contract:

1. **Doctoral students:** means students who are enrolled on a recognised course of doctoral studies run by one of the *contractors* and who do not meet the conditions to be considered as a *researcher*. In addition,
 - **number of doctoral students:** means the headcount of those *doctoral students* that are both (a) identifiable by name at the time of the deadline for the submission to the *Commission* of the original proposal for this network of excellence and (b) engaged on research activities within the frame of then proposed network of excellence.
2. **Grant for integration:** means the maximum financial contribution from the *Community* to a network of excellence.
3. **Joint programme of activities:** means the description of the work to be carried out in order to implement the *project* as set out in Annex I. It consists of two parts:
 - **a detailed joint programme of activities:** providing a detailed description of the work to be carried out over the eighteen-month period¹ covered by one reporting period as defined in Article 6 and the first six months of the following period;
 - **an outline joint programme of activities:** providing an outline description of the work to be undertaken throughout the duration of the *project*, including a non-confidential action plan for the promotion of gender equality within the *project*.
4. **Researchers:** means research staff with at least four years of research experience or those in possession of a doctoral degree. Additionally, a *researcher* must either be an employee of one of the *contractors* or be working under its direct management authority in the frame of a formal agreement between the *contractor* and that *researcher's* employer. In addition,
 - **number of researchers:** means the headcount of those *researchers* that both (a) are identifiable by name at the time of the deadline for the submission to the *Commission* of the original proposal for this network of excellence and (b) constitute the research capacities of the *contractors* within the frame of the then proposed network of excellence .

¹ The final *detailed joint programme of activities* may cover a shorter period.

III.2 – Community financial contribution

1. Calculation of the grant for integration

The *grant for integration* for the *project* is established according to the principles outlined in Article 14.1.a of the *Regulation*.

The table below converts the *number of researchers* into an annual average grant to the *project* in respect of these *researchers*:

50 <i>researchers</i>	€1 million/year
100 <i>researchers</i>	€2 million/year
150 <i>researchers</i>	€3 million/year
250 <i>researchers</i>	€4 million/year
500 <i>researchers</i>	€5 million/year
1000 <i>researchers</i> and above	€6 million/year ²

In addition, there will be a bonus for *doctoral students* equivalent to €4,000/year multiplied by the *number of doctoral students*, up to a maximum of 10 % of the grant in respect of *researchers*.

The *grant for integration* shall be calculated by multiplying the average annual grant in respect of *researchers*, and any bonus for *doctoral students*, by the duration of the *project*.

Researchers and *doctoral students* of a *contractor* from a *third country* shall be included in the calculation of the *number of researchers* and *number of doctoral students* only when the *contractor* is to receive a *Community* financial contribution.

The *consortium*, when taking into account aspects such as the characteristics of the field of research concerned, may request a lower grant for integration than that which would have resulted from applying the method described above, when taking into account aspects such as characteristics of the field of research concerned. In such cases the lower amount shall be the maximum financial contribution of the *Community* as identified in Annex I.

2. Payment of the grant for integration

The annual distribution of the grant over the duration of the *project* will be specified in the *joint programme of activities* in Annex I.

The *Commission* shall pay the *Community* financial contribution in respect of a completed period provided that the following conditions are fulfilled:

- that the *project* is making satisfactory progress towards achieving its agreed objectives, in particular the durable integration of the research capacities of the *contractors*, as judged by the annual review foreseen in Article III.5 arranged by the *Commission*; and

² The grant for an intermediate number of *researchers* would be calculated by linear interpolation.

- that eligible costs, calculated in accordance with Part B of Annex II, of at least the *Community* financial contribution for the completed period were incurred in implementing the *joint programme of activities*.

At the end of the *project*, the eligible costs incurred in implementing the *joint programme of activities* over the full duration of the *project* must exceed the *grant for integration*. If this is not the case, the payment for the last scientific period shall be limited to 95% of the eligible costs incurred in that period.

III.3 – Competitive calls

1. When required by the terms of Annex I, the *consortium* shall identify and propose to the *Commission* the participation of new *contractors* following a competitive call in accordance with the provisions of this Article.

2. The *consortium* shall publish the competitive call at least in one international journal and in three different national newspapers in three different Member States or *Associated States*. It shall also be responsible for advertising the call widely using specific information support, particularly Internet sites on the Sixth Framework Programme, the specialist press and brochures and through the national contact points set up by Member States and *Associated States*. In addition, the publication and advertising of the call shall conform to any instructions and guidance notes established by the *Commission*. The *consortium* shall inform the *Commission* of the call and its content at least 90 days prior to its expected date of publication.

3. The competitive call shall remain open for the submission of proposals by interested parties for a period of at least five weeks.

4. The *consortium* shall evaluate offers received in the light of the criteria that governed the *Commission's* evaluation and selection of the *project*, defined in the relevant call for proposals, and with the assistance of at least two independent experts appointed by the *consortium* on the basis of criteria described in Article 11.2.b of the *Regulation*.

5. The *consortium* shall notify the *Commission* of the proposed accession of a new *contractor/contractors* in accordance with Article 3. At the same time, it will inform the *Commission* of the means by which the competitive call was published and of the names and affiliation of the experts involved in the evaluation. The *Commission* may object to the accession of any new *contractor* within six weeks of the receipt of the notification.

III.4 – Updating the *joint programme of activities*

The *joint programme of activities* shall be updated annually. These annual updates may concern only the *detailed joint programme of activities*. They shall be submitted in accordance with the principles foreseen in Article II.7 for the submission of reports.

The *Commission* shall follow the same procedure for approving the updates of the *joint programme of activities* as that foreseen for reports in Article II.8.

III.5 -- Annual review

Upon receipt of the reports referred in Article II.7 and the proposed update of the *joint programme of activities* referred to in Article III.4, the *Commission* shall arrange a review of the work carried out under the *project* over the period concerned and shall examine the proposed update of the *joint programme of activities*. The annual review shall assess in particular the progress of the *project* and the prospects for achieving its overall objectives.

The *Commission* shall communicate to the *consortium* the results of the review and any recommendations. The *consortium* shall take account of these recommendations and will submit a revised *joint programme of activities* if considered necessary either by the *Commission* or by the *consortium*.

III. 6 – Failure of the annual review

If the *project* fails an annual review, the *Commission* may decide to terminate the *contract* or it may propose to the *consortium* to choose between the following options:

- to continue the *project* for a further period of twelve months on the basis of the *consortium's* proposed *joint programme of activities*, but without further *pre-financing* and without any finalisation of payment of the *Community* financial contribution in respect of the previous period.
- or
- to terminate the *contract*.

If the *consortium* chooses the first option, at the end of this further period, the *Commission* shall arrange a new review, in accordance with the procedures established in Article III.5. If this time the *project* passes the review, the *Commission* shall pay the *Community* financial contribution for both previous periods in accordance with the principles of Article III.2.2 and the *contract* will continue as if the suspension of *pre-financing* had not taken place. If the *project* again fails the review, the *Commission* shall terminate the *contract*.