

Payment Scheme

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DEFIS.R.2

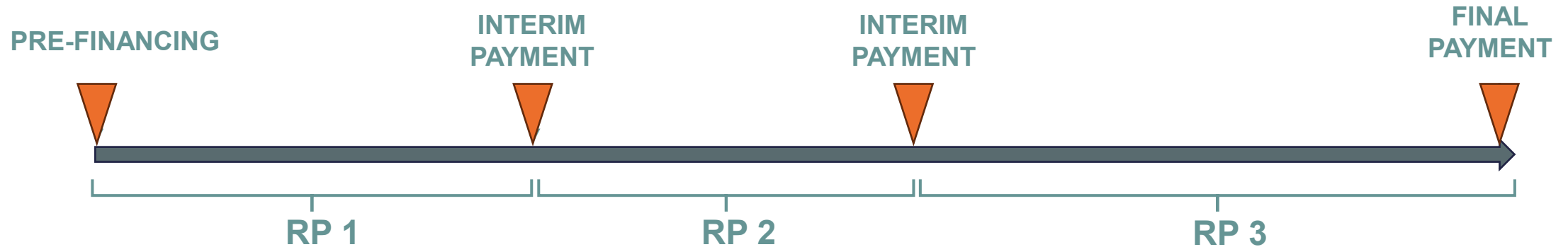
Alexandra MARKSTEINER

DEFIS.B.2

Payment Scheme

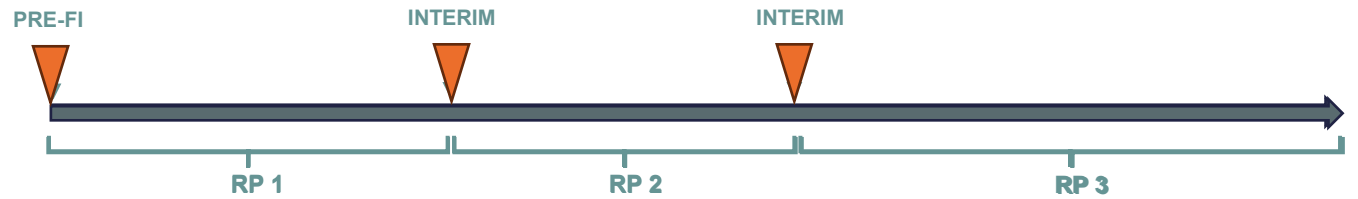
- **EDIP Payment scheme:** Pre-financing – (Interim payment(s)) – Final payment
- Payments are made at the end of **reporting periods (RP)** upon approval of a **periodic report**.

Example:



The number and duration of the RP (usually 12-18 months) are decided during grant agreement preparation

Payment Scheme (II)

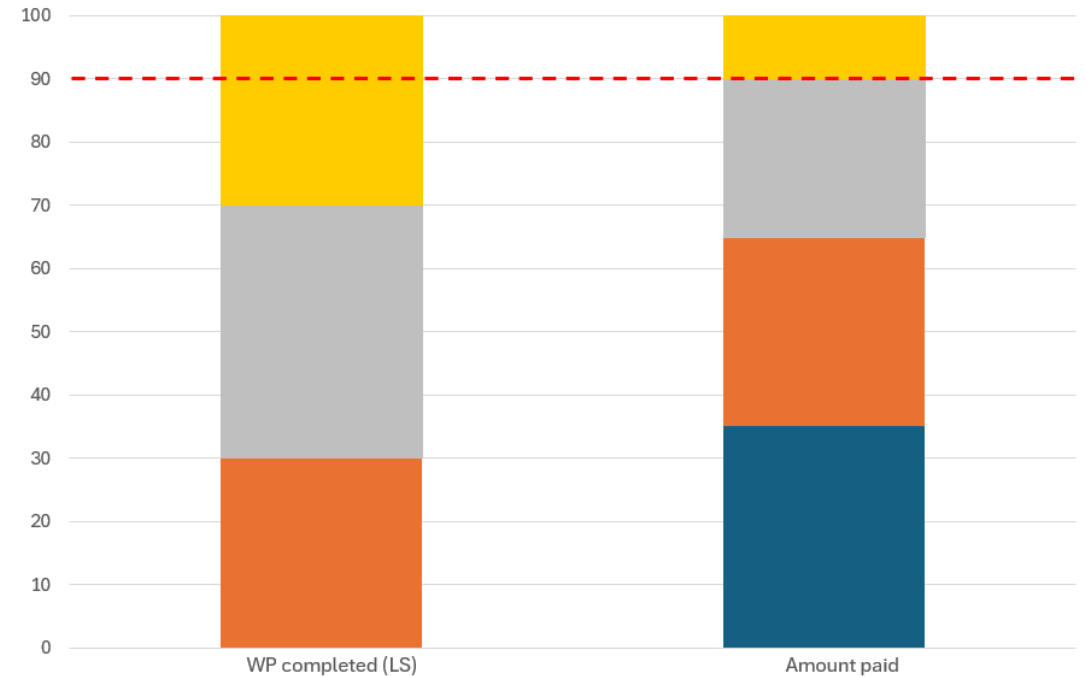


- Pre-financing + interim payments amounts up to 90% of the maximum grant amount.

Example:

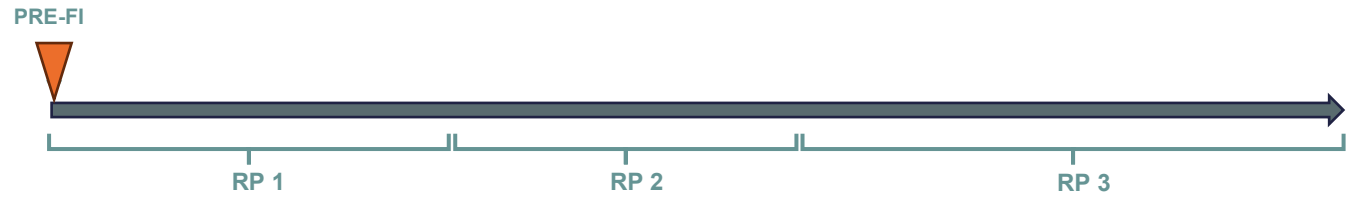
Payments for a grant with Maximum grant amount = EUR 100

	Work Packages completed (LS)	Amount paid	Cumulative amount paid
PRE-FINANCING		35,00 €	35,00 €
Interim payment RP1	30,00 €	30,00 €	65,00 €
Interim payment RP2	40,00 €	25,00 €	90,00 €
Final payment RP3	30,00 €	10,00 €	100,00 €



* It should be read as EU contribution corresponding to the accepted costs

PRE-FINANCING



Subject to the outcome of the **Financial Capacity Assessment** by Central Validation Services

4 Possible outcomes for the **FCA**: **GOOD**, **ACCEPTABLE**, **WEAK**, **INSUFFICIENT**

IF all beneficiaries OK



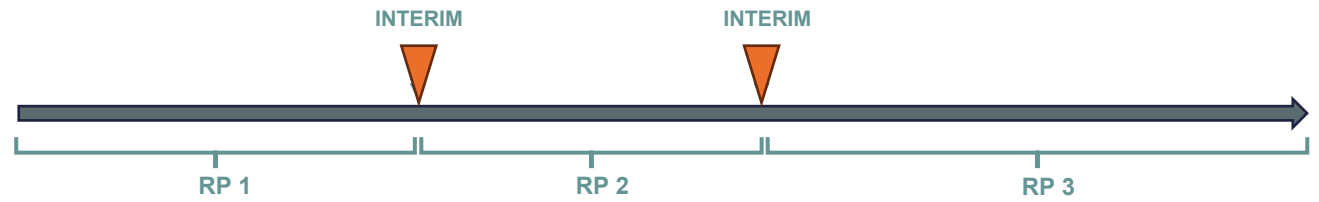
Single pre-financing = 35% of the maximum grant amount

IF one or more beneficiaries is weak/insufficient



Protective measures: e.g. reduction in pre-financing rate

Interim payment - LS



LS established in the GA:

	WP1	WP2	WP3	WP4	Total per beneficiary
COO	250			50	300
BEN 2		150	50	50	250
BEN 3	100	100		50	250
TOTAL	350	250	50	150	800

Reporting period: level of completion of the WP

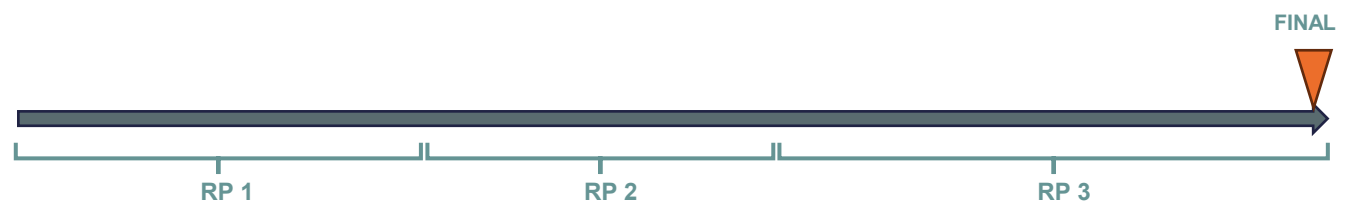
	WP1	WP2	WP3	WP4
COO	250			50
BEN 2		150	50	50
BEN 3	100	100		50
TOTAL	350	0	50	100

- 100% COMPLETED
- ONGOING/NOT STARTED

Amount to be paid to coordinator
if the Commission certifies the completion of WP

= 400

Final payment - LS



The final payment is made at last Reporting Period.

The final payment (= payment of the balance) reimburses the remaining eligible lump sum contributions claimed for the implemented work packages (if any).

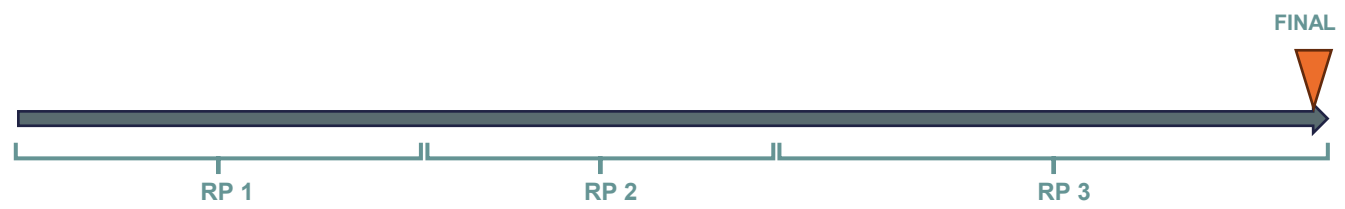
Balance = Final grant amount (sum of all RP) - prefinancing and interim payments made.

IF the balance is positive, it will be paid to the coordinator.

IF the balance is negative, it will be recovered.

For the last reporting period, the beneficiaries may exceptionally declare partial lump sum contributions for work packages that were not completed (e.g. due to force majeure or technical impossibility).

Final payment - LS



Using the same example as before:

	WP1	WP2	WP3	WP4	Total per beneficiary
COO	250			50	300
BEN 2		150	50	50	250
BEN 3	100	100		50	250
TOTAL	350	250	50	150	800

WP NOT completed

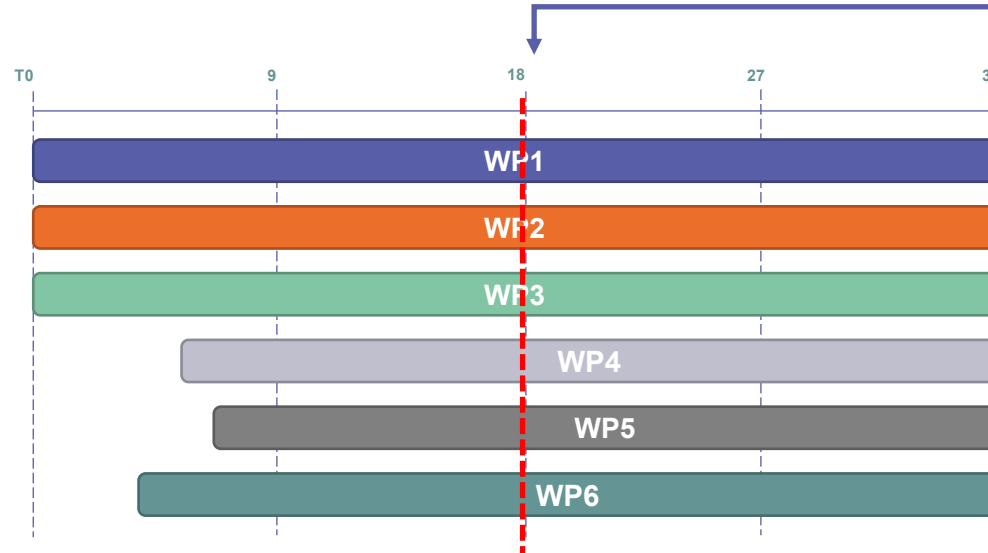
WP completed and paid in interim payment (capped to 90%)

Pre-financing was 35% of the maximum grant amount

$$\text{Balance} = 550 - 280 \text{ (pre-fi)} - 400 \text{ (interim payment)} = -130$$

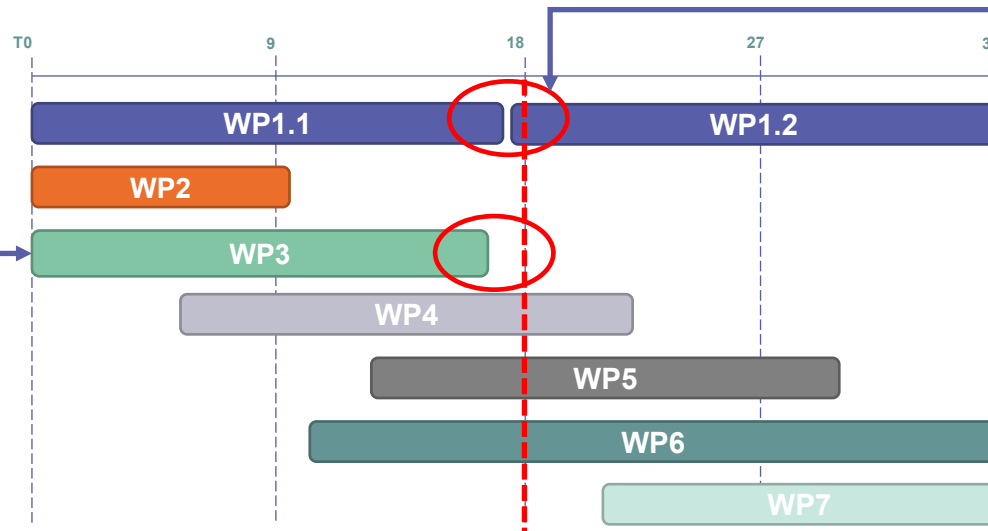
LS Project design - TIPS

Propose **as many WP as needed** → but no more than what is manageable.



Consider typical **reporting periods** proposed by the Commission (i.e. 12 -18 months).

Consider possible **delays** in the completion of WP.



Long WP (e.g. management, dissemination and exploitation) **may be split** along the reporting periods.

**MANY THANKS
FOR YOUR
ATTENTION!**