

- IHI JU contributing partners - who, why, what and how?

Karolina Gutt-Mostowy, Legal Officer at IHI JU
Gaëlle Lanckmans, Financial Officer at IHI JU

12th October 2023

Before we start...

- We are recording this session and it will be published on the IHI website.
- There will be time for questions at the end for this presentation.
- If you want to ask a question please use the chat function on the right corner of your screen.



Outline

1. Who? – who may and who may not become a contributing partner?
2. Why? – what are the benefits of becoming a contributing partner?
3. What? – what can and what cannot a contributing partner bring into a project?
4. How? – application process in single-stage and two-stage calls and assessment of applications by the IHI JU Governing Board



Who?

Who are IHI JU contributing partners?

- ✓ Purpose - opening up IHI JU to a wide range of stakeholders who may want to be involved in IHI JU and contribute to the achievement of its objectives without becoming an IHI JU's member

IHI JU contributing partners:

- ✓ invest their own resources (which can be researchers' time, laboratories, data) or cash in a specific IHI JU project or projects
- ✓ their contributions work in a similar way to contributions of the constituent or affiliated entities of IHI JU private members
- ✓ both public and private organisations of various nature may consider becoming an IHI JU contributing partner*
- ✓ their involvement must support IHI JU in its **specific area of research**
- ✓ each potential applicant shall duly consider the **public-private component of the partnership**, the strategic and specific objectives of IHI JU and the nature of its contributions to a call or project (have a look at our [Strategic Research and Innovation Agenda](#))
- ✓ therefore, participating in IHI JU should reflect a **strategic engagement** + more specifically also consider the **obligations resulting from the participation in the consortium** implementing an IHI project

*Examples of contributing partners may include philanthropic organisations and charities that run their own research programmes, as well as legal entities and private companies working in sectors related to IHI JU such as ICT, MedTech, imaging, diagnostics, animal health, etc.

Who **may** apply to become an IHI JU contributing partner?

Any country, international organisation or legal entity* may apply to become a contributing partner provided that:

- they contribute to the strategic and specific objectives of IHI JU in its specific area of research;
- they accept the legal framework of IHI JU by submitting a letter of application, that details the scope of their engagement in terms of contribution (in-kind and/or cash), activities and duration;
- they submit this application letter to the IHI JU Programme Office;
- the application is assessed and accepted by the IHI JU Governing Board.

Who **may not** apply to become an IHI JU contributing partner? (1/2)

An entity which:

- is a private member of IHI JU, that is: COCIR, EFPIA (including Vaccines Europe), EuropaBio and MedTech Europe;
but also:
 - is a constituent or an affiliated entity of a private member; OR
 - is affiliated to the private member via another organisation (*for example a national or regional association*).

How to check this? The websites* of IHI JU members include the lists of their corporate members, national associations and other entities which are their constituent and affiliated entities.

If in doubt, contact the private member!

[*https://www.ih.europa.eu/about-ih/who-we-are/partners](https://www.ih.europa.eu/about-ih/who-we-are/partners)

Who **may not** apply to become an IHI JU contributing partner? (2/2)

Also, an entity:

- whose contribution is not eligible according to the Horizon Europe rules (*we will talk about this later in detail*)
- which is not in the position (financially and operationally) to meet all the obligations of the grant agreement and to provide the envisaged in-kind contribution to the project (*may be rejected by the IHI JU Governing Board*)



Why?

IHI JU Contributing Partners

Your chance to contribute at strategic level to the IHI aim of getting new cross-sectorial innovations to the patients



IHI JU contributing partner many benefits:

Leverage resources: Becoming an IHI JU contributing partner is an excellent way to make your resources stretch further while sharing risks.

Influence research: As an investor in a project, you will be able to influence it from the earliest stages and be part of the overall IHI JU strategy.

Networking: be part of the wider collaborative health innovation ecosystem that IHI JU is creating for an unprecedented opportunity of connecting, learning and capacity building,

Benefits of scale: be a part of large-scale, cross-sector projects in health research engaging stakeholders across the ecosystem with increase likelihood of having a real impact.

2 types of calls for proposals: role of contributing partners

CROSS-SECTORIAL PUBLIC-PRIVATE PARTNERSHIPS

single-stage

Broad topic, not specific to one single product/technology/solution

Applicant consortia in single-stage calls are composed of industry partners (which may include private members and contributing partners) and public partners (as in regular Horizon Europe calls)

Proposed budgets must include at least 45% in-kind/cash contribution (e.g., 10M total budget: at least 4.5M in-kind/cash provided by private members and/or contributing partners)

two-stage

Topics and budget are determined by the pre-identified industry consortium which may include also contributing partners (listed in the topic text)

Applicant consortia of beneficiaries requesting funding submit a short proposal at the first stage of a two-stage call

The successful applicant consortium joins with the pre-identified industry consortium in the second stage of a two-stage call

Pre-identified industry consortium members and contributing partners are not eligible for funding

*more info - please refer to

https://www.ih.europa.eu/sites/default/files/IHI_Guide_for_Applicants.pdf

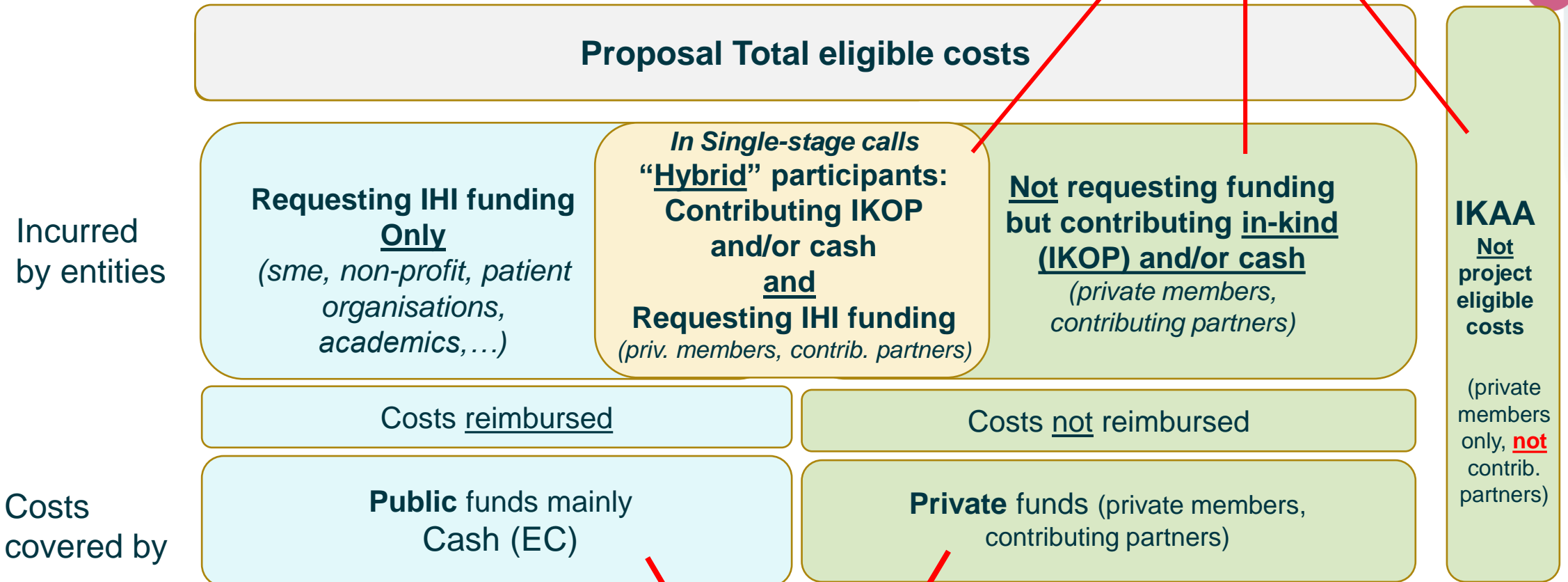


What?

IHI Proposal

Minimum 45% contribution

(IKOP + FC + IKAA) ≥ 45% of action's (eligible costs + IKAA)



Co-funding principle

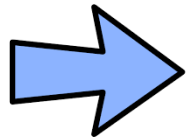


and contributing partners

Min 45% contribution

*Private members and/or contributing partners must contribute at least **45%** of the action's eligible costs and costs for additional activities*

(IKOP + FC + IKAA) \geq 45% of action's (eligible costs + IKAA)



[Annex on budget](#) verifies automatically if your proposal reaches 45%

If threshold not reached collectively → (full) proposal NOT evaluated

Min 45% contribution

- Coordinator of the proposal must submit a [Declaration](#) (Annex) to confirm that the required 45% contribution will be provided
- 45% can be reached with only one or two contribution types (e.g only with IKOP)
- 45% must be maintained during project implementation
- Prudent approach recommended for proposals: aim for 50%



- What types of contributions?

Contributions types

- **IKOP** - In-kind contributions to Operational activities
- **FC** - Financial contributions
- **IKAA** - In-kind contributions to Additional Activities

Contributing Partners



~~Private members~~



Contributing partners can contribute IKOP or FC or both, but not IKAA.

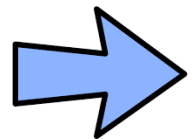


IKOP

In-Kind contribution for Operational activities

IKOP

- Consist of eligible costs incurred in implementing project tasks (personnel costs, subcontracting costs, other direct costs, ...)
- Only eligible costs can be considered IKOP



Make sure all costs comply with the eligibility conditions of HE
(Art 6 of MGA)

HE cost eligibility conditions (Art 6.1 MGA)

Costs must be:

- **Actual** (real, not estimated or budgeted)
- Incurred during the project lifetime (start date – end date)
- **Connected** to the action and **necessary** for its implementation
- Foreseen in the estimated **budget**
- **Reasonable**, justified

...

HE cost eligibility conditions (Art 6.1 MGA)

- ...
- Identifiable and **verifiable** (auditable*)
 - **Incurred** by the CP and recorded in its **accounts**
 - In line with **usual** cost accounting **practices** of the CP
 - In line with the **accounting standards** of the country where the CP is established
 - Comply with the applicable **national law** on taxes, labour and social security

*Certification of costs by independent auditor required at project end if (IKOP+FC) ≥ EUR 430 000 or requested IHI funding ≥ EUR 430 000

Examples of costs not eligible

Software licence fees:

- ✗ Software developed by the CP and licence fees are to valorize its use by the consortium → missed business opportunity, not a cost
- ✓ Licence fees paid by the CP during the project implementation

Data

- ✗ Pre-existing data: represents a scientific value but is not a cost recorded in the accounts of the CP during project implementation
- ✓ Costs for generating/harmonising/transforming data or other actions on data are eligible costs

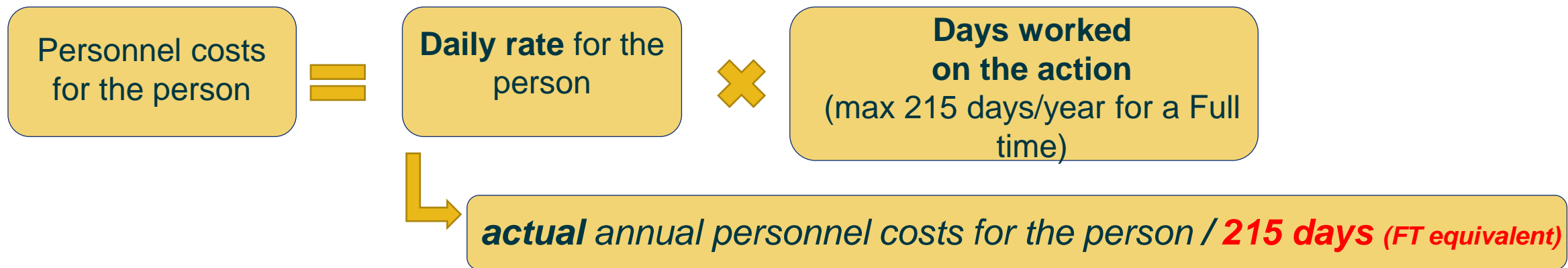
Cost categories

- Personnel costs (employee, in-house consultant, seconded personnel,...)
- Subcontracting costs (outsourced project tasks)
- Purchase costs (travel, equipment,...)
- Indirect costs (25%)

Personnel costs [\(art 6.2 A in MGA\)](#)

Cost of employee (most common case)

Option 1: Use of actual costs (HE calculation method)



Option 2: Use of average personnel costs (unit cost) if according to CP's usual cost accounting practices

Personnel costs [\(art 6.2 A in MGA\)](#)



Examples of **calculation methods for Personnel costs** are available in the [HE annotated model grant agreement](#)

In all cases:

keep records of days worked on the project

[\(declarations](#) signed monthly by the person and his/her supervisor, unless another reliable time-record system is in place)

Subcontracting costs [\(art 9.3 and art 6.2 B in MGA\)](#)

- The CP contracts a third party to work on project tasks
- Contractual link between the subcontractor and the CP based on business conditions as it includes a profit margin for the subcontractor
- Selection of subcontractor: the CP should follow its usual internal practice, ensure best value for money (or lowest price if appropriate), transparency, no conflict of interest
- Keep records: contract, invoice, documentation justifying the subcontractor selection

Purchase costs [\(art 6.2 C in MGA\)](#)

- Travel, accommodation and subsistence (in line with the internal travel policy, if any)
- Equipment (depreciation cost – part used for the project)
- Other goods, works or services, if necessary to implement the project

Indirect costs [\(art 6.2 E in MGA\)](#)

- Fixed flat rate as 25% of the direct costs (excluding subcontracting costs)
- Calculated automatically in the proposal Annex on budget
- No indirect costs should be included in the other costs categories (no double counting allowed)

How to calculate IKOP?

Single-stage calls:

IKOP = (total eligible costs - requested IHI funding, if any)

CP may request IHI funding (if eligible)

Two-stage calls:

IKOP = total eligible costs

CP normally not eligible to receive IHI funding as pre-identified in topic text

'Non-EU' IKOP

- Part of IKOP incurred outside the EU or associated countries to Horizon Europe
- The EU: 27 countries
- HE Associated Countries (AC): (15.09.2023)
 - 17 HE associated countries: Albania, Armenia, Bosnia and Herzegovina, Faroe Islands, Georgia, Iceland, Israel, Kosovo, Moldova, Montenegro, North Macedonia, Norway, Serbia, Tunisia, Turkey, Faroe Islands, Ukraine
 - Ongoing negotiations of association agreements: Morocco, United Kingdom
- US, Switzerland,... is 'Non-EU' IKOP
- UK: 'Non-EU' IKOP before 2024, 'EU' IKOP after 2024 (provided the association agreement is signed)

Non-EU IKOP

- Criteria: where the underlying activities are carried out. Does not take into account where the company is established.
e.g: company based in the US but activities carried out in Germany → EU IKOP
company based in Germany but activities carried out in the US → Non-EU IKOP
- Limitations:
Max **20%** non-EU IKOP **at programme level** (in all projects together)
For IHI Calls 1 – 4 : limit set to 100%
For IHI Call 5: limit set to max **30%** non-EU IKOP



Financial Contributions (FC)

Financial contributions (FC)

- Cash paid by a contributing partner to a beneficiary to support (a part of) its project eligible costs
- Count for the 45% threshold only if
 - the recipient of the FC is eligible for receiving funding
 - the FC covers eligible costs (art 6 MGA) not already reimbursed by IHI
- Based on a legal agreement between the two parties
- Explained in Proposal (FC provider, FC recipient, activity to perform with the FC received) and set in estimated budget

What is your total contribution?

+ Personnel costs
+ Subcontracting costs
+ Purchase costs
+ Indirect costs
- IHI funding, if any

= **IKOP** (of which 'non-EU' IKOP, if any)

+ Financial contributions (FC)

= **TOTAL contribution** (IKOP + FC)

Financial table
in the
CP application letter



How?



- Applying to become a contributing partner in single-stage calls

Preparing your CP application in single-stage calls (1/5)

Step 1:

- ✓ Check that your organisation is not affiliated to an IHI JU private member
- ✓ Check that your planned contribution to IHI JU is eligible



Step 2:

Read our [guide for contributing partners](#) which describes the application process in details and explains how the contributing partner system works in practice (including deadline for application!)

Step 3:

Download the most recent [template of the application letter for single-stage calls](#) from our website and fill it in:

<https://www.ihj.europa.eu/shape-our-future-research/become-contributing-partner>

Preparing your CP application in single-stage calls (2/5)

Step 3: the template of the application letter for single-stage calls:

- ✓ it is compulsory! a new version published
- ✓ 4 parts of the letter - description of:



Part 1 - the applicant contributing partner

your legal details, PIC number, details of your organisation, but also its mission and objectives

Part 2 - contribution to IHI JU's objectives

your contribution to the strategic objectives of IHI JU and the topic you apply for

All parts are compulsory!

Template application letter for a new contributing partner to IHI JU in a single-stage call for proposals

Use of this template is obligatory, and failure to provide the information requested may result in your application being rejected.

When preparing your letter, we strongly advise you to read the guidance for contributing partners on the IHI website at www.ihj.europa.eu/shape-our-future-research/become-contributing-partner

Please use your organisation's letterhead.

Chair of the IHI JU Governing Board
c/o IHI JU Executive Director
Innovative Health Initiative Joint Undertaking
56 – 60 Avenue de la Toison d'Or
1060 Brussels
Belgium

[Place, date]

Re: [IHI JU Call No / Topic No, Topic title]

Dear sir/madam,

On behalf of [Organisation Name] of [Registered Address] and in accordance with Council Regulation (EU) No 2085/2021 of 19th November 2021 establishing the Joint Undertakings under Horizon Europe and repealing Regulations (EC) No 219/2007, (EU) No 557/2014, (EU) No 558/2014, (EU) No 559/2014, (EU) No 560/2014, (EU) No 561/2014 and (EU) No 642/2014 and specifically Articles 9, 17, 116, and 118 [therein](#):

we wish to apply to become a contributing partner to the IHI JU Joint Undertaking.

Preparing your CP application in single-stage calls (3/5)

Step 3: the template of the application letter for single-stage calls:

Part 3 - contribution to the proposal

add a general description of your proposed contribution AND fill in the **financial table**

Part 4 – declarations

your acceptance of the legal framework, confirming you are able to meet the commitments related to being a CP

All parts of the letter are compulsory!

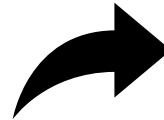


Table of contributions

Category	Total amount (EUR)	Of which costs incurred <u>outside</u> the EU ¹ (EUR)	Brief explanation (Specify relevant work package(s))
A. Personnel costs² (in line with Article 6.2.A of AGA , pages 45-64)			
B. Subcontracting costs (in line with Article 6.2.B of AGA , pages 70-73)			
C. Purchase costs (Equipment, travel and subsistence, other goods, works and services) (in line with Article 6.2.C of AGA , pages 74-92)			
D. Indirect costs³ (25% of (A+C))	<i>[insert indirect costs: (25% of (A+C))]</i>	<i>[insert indirect costs: (25% of (A+C))]</i>	
Total in-kind contribution to operational activities (IKOP) (A+B+C+D)	<i>[insert total IKOP: (A+B+C+D)]</i>	<i>[insert total non-EU IKOP: (A+B+C+D)]</i>	

Preparing your CP application in single-stage calls (4/5)



Step 4:

Download the [checklist](#) for the application letter for single-stage calls

- ✓ the checklist is designed to help you make sure that your letter contains all the compulsory elements
- ✓ the checklist follows the structure of the application letter template – will help you write it!
- ✓ before submitting your letter make sure that all the items on this checklist are ticked



Checklist for preparing an application letter to be an IHI contributing partner via a single-stage call for proposals

This checklist is designed to help you write an IHI JU contributing partner application letter for IHI JU single-stage calls. For ease of use, the checklist follows the structure of the application letter template, the use of which is obligatory. It also highlights the relevant section(s) of the IHI guide for contributing partners where you can find more information.

All elements mentioned on the checklist must be included in your application. Before submitting your contributing partner application letter to IHI JU Programme Office please, make sure that all the items on this checklist are ticked.

If you have any questions, please refer to the IHI guide for contributing partners, which can be downloaded from the [IHI website](#), or [contact](#) the IHI JU programme office.



Preparing your CP application in single-stage calls (5/5)

Step 5: (optional but recommended): Send your **draft** letter to the IHI Programme Office via [email](#) (*in Word*). We will **review** it to ensure it contains the information that the Governing Board needs to assess your application.

- ✓ Make sure you send us your letter well ahead the submission deadline
- ✓ We will ask you to revise the letter in case it significantly departs from the template or is missing compulsory elements or is not clear in any way

The preliminary assessment by the IHI JU Programme Office does not consider the merits of the application. The final decision as to acceptance or rejection of a new contributing partner rests with the IHI JU Governing Board.

This step is not compulsory but can help you submit a complete application.

Step 6: Finalise the letter of application, taking into account the feedback of the IHI Programme Office and **send** your signed letter of application to the Governing Board **within the deadline** (via [email](#) to the *IHI office*)

IHI JU office will submit your application to the GB only if your proposal is selected for funding.

Deadline for submission of applications in single-stage calls (1/2)

In order for the in-kind contributions from a contributing partner to be counted towards the 45% threshold, a **final application** needs to be submitted via email and received by to the IHI office by the deadline for submission of proposals.

What is a final application?

1. a letter that follows the template and states clearly enough the amount and the scope of the contribution to the topic and IHI JU;
2. bears a blue-ink signature or a valid electronic signature of a legal representative of the applying legal entity;
3. the contribution envisaged in the application letter is not in any way provisional or conditional in nature;
4. the contribution envisaged in the application letter is eligible in accordance with Article 6 of the Horizon Europe Model Grant Agreement;
5. includes a confirmation that the candidate contributing partner is not affiliated to an IHI JU member, and neither is their constituent nor affiliated entity;

– in such case it is a submitted within the deadline and will be considered when checking the 45% eligibility threshold of the proposal



Deadline for submission of applications in single-stage calls (2/2)

What if my CP application is submitted after deadline for submission of proposals?



- If submitted after the deadline for the submission of a proposal, at the evaluation stage - the contribution will not be counted towards satisfying the 45% in-kind **eligibility criterion** for the **proposal** in question

Avoid these common mistakes!



To sum up:

Avoid these common mistake:

- ❖ Proposed contributions not eligible (make sure you read Article 6 of MGA!)
- ❖ Your organisation is in fact affiliated to an IHI JU private member
- ❖ Mismatch between the contributing partner's application letter and the information on the contributing partner's role as provided in the proposal
- ❖ Letter template not followed or key information missing
- ❖ Letter not signed by someone who is legally authorised to sign on behalf of your organisation
- ❖ Letter containing a scanned/digital copy and not a blue-ink signature
- ❖ Letter past deadline (*if you wanted your contribution counted towards the eligibility of the proposal*)

And also:

- ❖ Sending the letter too late to the IHI JU office for conducting a preliminary review – this may result in an invalid application

Do not wait until the last day before the submission of proposals deadline!



- Applying to become a contributing partner in two-stage calls

CPs in two-stage calls

- Specific for **two-stage calls - pre-identified industry consortium**, composed of the industry partners from the different healthcare sectors, who are affiliated to private members of IHI JU
- In two-stage calls contributing partners **generally join the pre-identified industry consortium**, they support a particular IHI JU topic and not a particular proposal
- In such case the **call text may also** specify contributing partner(s) and include:
 - the name of the contributing partner;
 - indicative budget, including indicative in-kind and/or financial contribution.
- If a contributing partner intends to have their contribution matched by the IHI JU, the applicant CP:
 - needs to submit their application letter prior to the finalisation of the call text to be included in such call text;
 - IHI JU may decide to match such contribution.
- In case the CP wants to join the pre-identified industry consortium after the call topic text has been published:
 - the fact of joining should be agreed with the pre-identified industry consortium; and
 - IHI JU cannot at this point match the applying contributing partner's contribution anymore.

Preparing your CP application in two-stage calls

Follow the steps:

Step 1:

- ✓ Check that your organisation is not affiliated to an IHI JU private member
- ✓ Check that your planned contribution to IHI JU is eligible

Step 2:

Read our [guide for contributing partners](#)


Step 3:

Download the most recent [template of the application letter for two-stage calls](#) from our website and fill it in:
<https://www.ihj.europa.eu/shape-our-future-research/become-contributing-partner>

Additional declaration of a CP: confidentiality applicable, in particular, to: *call topic preparation and publication, proposal submission and evaluation, pre-identified industry consortium formation*

Step 4: (optional but recommended): Send your **draft** letter to the IHI Programme Office via [email](#) (*in Word*) for review

Step 5: Finalise the letter of application, taking into account the feedback of the IHI Programme Office and **send** your letter of application to the Governing Board **within the deadline** (*if you would like to have your contribution matched*)



- The GB approval - participation in IHI JU projects

Assessment by the IHI JU Governing Board

- The Governing Board of IHI JU will assess:
 - ✓ **strategic relevance:**
 - (1) whether the involvement supports the achievements of the IHI JU objectives (Council Regulation and [IHI JU Strategic Research and Innovation Agenda](#));
 - (2) demonstrated relevance and potential added value of the proposed contribution (activities, duration and nature of contributions) of the applicant CP for the achievement of the IHI JU project;
 - ✓ whether costs to be incurred by the applicant CP in implementing the IHI JU project fulfil the eligibility criteria as specified in the Horizon Europe Model Grant Agreement (Articles 6.1 and 6.2);
 - ✓ other aspects on case-by-case basis (such as: financial or operational capacity of the applicant CP to provide the envisaged contribution, impact of the contribution on the programme level non-EU cap*);

Following the assessment, the application is accepted or rejected – the GB always makes the final decision on the application.

There is no limitation on the number of topics or projects that interested contributing partners may contribute to BUT each topic or project requires a separate application to the IHI JU Governing Board and a separate GB's assessment.

*compare Article 119.4 Single Basic Act

After the GB approval - refer to points 2.4.1 – 2.4.3 of Guide for contributing partners which describe in detail how approved CPs participate in IHI JU projects

Type of participant	Do they sign the grant agreement	Do they sign the consortium agreement
Contributing partner as a beneficiary* (point 2.4.1 CP Guide)	YES	YES
Contributing partner as an affiliated entity** (point 2.4.2 CP Guide)	NO	YES
Contributing partner as an associated partner** (point 2.4.3 CP Guide)	NO	YES

*It is expected that CPs established outside of EU / HE associated countries take up the role of beneficiaries.

** CPs taking up the role of AEs and APs do not sign the GA but are identified within.



Points to remember

Points to remember



Contributing partners:

- **strategic relevance:** demonstrate relevance and potential added value of their proposed contribution for the achievement of the objectives of the IHI JU project
- costs incurred by contributing partners in implementing IHI projects fulfil the eligibility criteria as specified in the Article 6 of the HE MGA
- if you're applying within a single-stage call, you should submit a letter to the Governing Board of the IHI JU before the call submission deadline, otherwise your contribution won't count towards the 45% threshold at the proposal eligibility check
- make sure that your legal entity is **not affiliated** directly or via a regional or local organisation **to an IHI JU private member** (COCIR, EFPIA (including Vaccines Europe), EuropaBio and MedTech Europe)
- read the IHI Guide on CPs <https://www.ihj.europa.eu/shape-our-future-research/become-contributing-partner>
- use the most updated CP application letter **template** and the CP **checklist** from IHI JU website
- still in doubt, send an [email](#) to our Infodesk

Useful documents

- [Guide for Contributing Partners](#)
 - [CP Application letters templates](#)
 - [CP Checklist](#)
- [Model Grant Agreement](#) (MGA) for Horizon Europe, including Annex 5 applicable to JUs
- [Draft AGA](#) annotated version of MGA (contains practical examples)
- [Frequently asked questions](#) for IHI Calls
- [IHI guide for applicants](#)
- [Annex on budget](#) for Call 5
- [Annex on budget](#) for Call 4

Your contact point

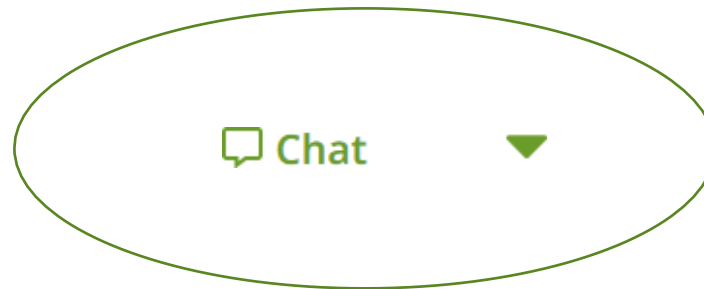
At the IHI Programme Office

infodesk@ihi.europa.eu

Questions time



If you want to ask a question please use the chat function on the right corner of your screen





Thank you for your attention

ihi.europa.eu

After the webinar, send any questions to the **IHI Programme Office**

infodesk@ihi.europa.eu