



Europa Media Trainings

The legal obligations – from GA to CA

Gabriella Lovasz

Managing Director, Europa Media
EMG Group

Project Management and Reporting in Horizon 2020 & Horizon Europe

10-11 May 2023

Jozef Stefan Institute, Ljubljana, Slovenia

Grant Agreement

What is a Grant Agreement?

= a legally binding framework for project implementation

- Signed between the beneficiaries and the European Commission or an Executive Agency of the EC
- Establishes the main rights & obligations of participants towards the European Commission
- **General Model Grant Agreement (V1.1, Apr 15, 2022)**
- **Annotated Model Grant Agreement (draft, update Apr 1, 2023)**
- Clear structure, applicable to several EU funding programmes
- E-signatures



Grant Agreement

Lump Sum grants

- Specific applicable rules are highlighted in purple
- Text in grey indicates that text which is used in other EU programmes is not applicable for this programme.

Project: [insert number] — [insert acronym] — [insert call identifier]

EU Grants: [PROGR Lump Sum MGA — Multi & Mono]: V1.0 — 01.06.2021

ARTICLE 4 — DURATION AND STARTING DATE

The duration and the starting date of the action are set out in the Data Sheet (see Point 1).

CHAPTER 3 — GRANT

ARTICLE 5 — GRANT

5.1 Form of grant

The grant is an action grant¹² which takes the form of a lump sum grant for the completion of work packages.

5.2 Maximum grant amount

The maximum grant amount is set out in the Data Sheet (see Point 3) and in the estimated budget (Annex 2).

[OPTION for programmes with contingency reserve: [OPTION if selected for the call: The maximum grant amount can be raised at the end of the action, by activating the contingency reserve set out in the Data Sheet (see Point 3).]]

5.3 Funding rate

Not applicable



[insert programme name (acronym)]

Model Grant Agreement

Lump Sum Grants

[PROGR Lump Sum MGA — Multi & Mono]

Version 2.0
01 March 2023

Disclaimer

This document is aimed at assisting applicants. It shows the full range of provisions that may be applied to this type of agreement, and is provided for information purposes only. The legally binding agreement will be that which is signed by the parties in the system.

Grant Agreement Preparation

- Process duration: 3 months max.
- Consortium must prepare input for the Grant Agreement (DoA)
- Further specifications to be considered, either from the EC or from your project's Ethics Review
- Grant Agreement signed between the EC and the Coordinator

Documents to watch out for

- Invitation to Grant Agreement Preparation
- Declaration of Honor
- Accession Forms (signed by all other partners)

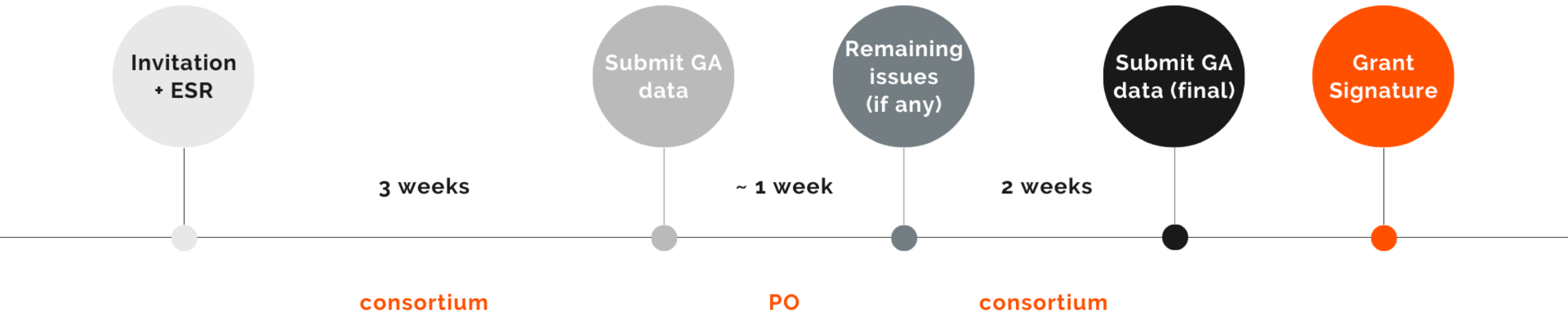
💡 Even if the project has not officially started yet, consider already these “pre-contractual efforts”.



Grant Agreement Preparation

GAP TIMING

3 months max.



Lump Sum GAP

Modification requests...

Lump Sum distribution

- Evaluators will check whether the resources proposed and split of lump sum shares are reasonable
- If needed, they can make **recommendations on changes to the detailed budget table**, therefore the lump sum amount and the lump sum breakdown will be modified during the GA preparation
- Evaluators can also recommend **to decrease the lump sum amount** for a WP and/or a beneficiary OR to **reallocate lump sum shares** among WPs and/or beneficiaries

Further breakdown of Work Packages

- Further breakdown of horizontal WPs during the GA preparation is possible, but it requires prior agreement with your PO

Please note: *Following the recommendations of the evaluators, the requested grant amount might be decreased, however the requested grant amount can not be increased!*



Grant Agreement in HE

Contents

Core Part

Data Sheet

a summary of the specific data of the grant agreement

Articles

grouped in six chapters

1. General Data
2. Participant
3. Grant
4. Reporting, payment and recoveries
5. Consequences of non-compliance, applicable law and dispute settlement forum
6. Specific rules Annex 5 & Standard time-limits after project end

Chapter 1 General (Articles 1-2)

Chapter 2 Action (Articles 3-4)

Chapter 3 Grant (Articles 5-6)

Chapter 4 Grant Implementation (Articles 7-26)

Chapter 5 Consequences of non-compliance (Articles 27-35)

Chapter 6 Final provisions (Articles 36-44)

Grant Agreement in HE

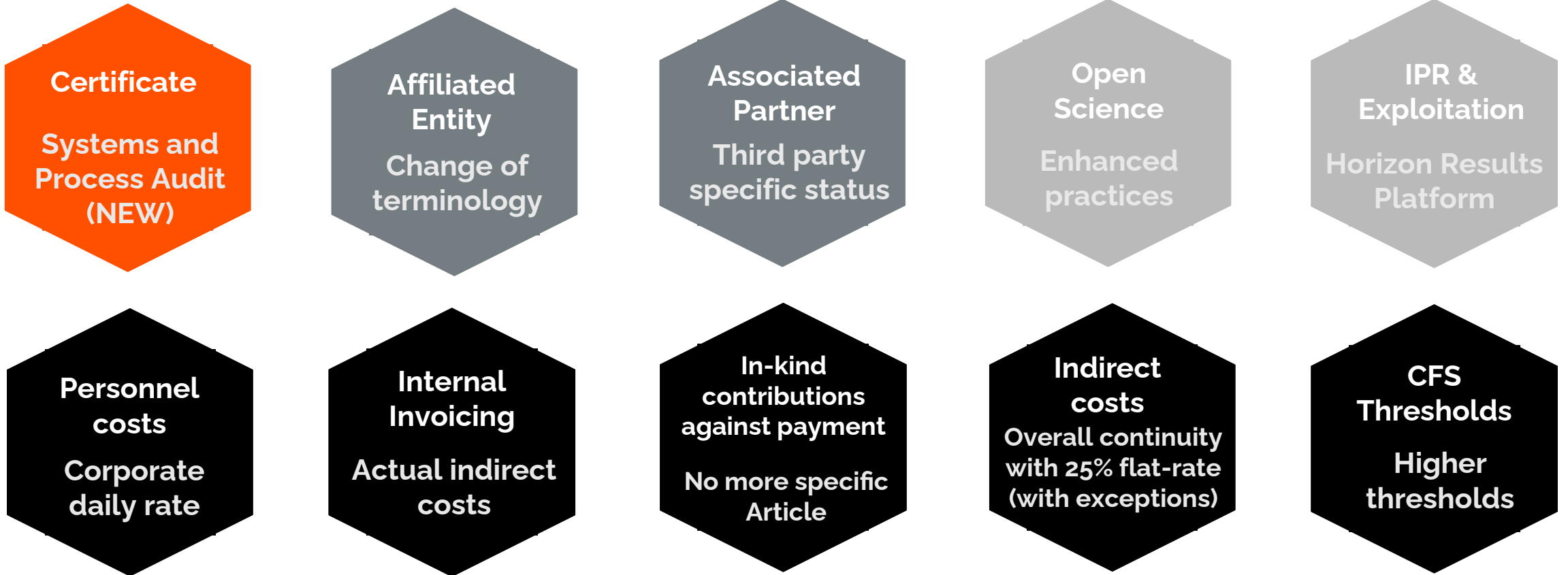
Annex 5 Special Rules

Annex 5 Special Rules

- **Security** (Article 13)
- **Ethics** (i.e. research integrity) (Article 14)
- **Values** (i.e. gender mainstreaming) (Article 14)
- **IPR** (Article 16)
- **Communication, Dissemination, Open Science and Visibility** (Article 17)
- **Specific rules for carrying out the action** (Article 18)
 - recruitment and working conditions
 - specific rules for access to research infrastructure actions
 - specific rules for PCP and PPI procurements
 - specific rules for co-funded partnerships
 - specific rules for ERC actions
 - specific rules for EIT-KIC actions
 - specific rules for MSCA actions
 - specific rules for EIC actions

Grant Agreement in HE

Main changes at a glance



Corporate MGA
Terminology | Data Sheet | Annex 5

Consortium Agreement

Basic issues

Why do I need a CA?

When should it be made?

Who should sign it?

Who should prepare it?

Do you need a lawyer?



Consortium Agreement

What to include?

- **Definitions**
- **Provisions on the governance of the Consortium** governing bodies, meeting procedures, voting rules
- **Technical provisions** tasks of each party, project schedule
- **Managerial provisions** coordination & management, decision-making structure and processes, quality assurance
- **Financial provisions** distribution of financial contribution, financial plan, budget modifications
- **Provisions on IPR and related issues** dissemination, use & accessibility of results, confidentiality provisions, arrangements on settlement of disputes, liability



Other legal agreements

Previous agreements in your CA

- Technical and commercial specification
- Background of the partners
- Pre-existing intellectual property
- Expected results
- Ownership of the results
- Confidential information
- Linked third parties
- Project name – trademark issues

(Check at this stage if not done for the proposal)

Consider

(if you have them):

- MoU
- Letter of intent
- NDA
- Confidentiality agreement

Issues in the GA

How to include into CA?

Grant Agreement	Consortium Agreement (DESCA)	Issues
Budgetary issues Art 5	Section 7 – Financial issues	e.g. reallocation, overspending
Implement the action - Non-compliance Art 11	Section 4 – Responsibilities of Parties	e.g. non-performing partner
Submission of deliverables Art 21	Section 6 – Governance structure	e.g. internal reporting, quality assurance
Reporting Art 21	Section 6 – Governance structure	e.g. reporting procedure
Identify payment schedule Art 22	Section 7 – Financial issues	e.g. advance payment
IPR issues Art 16	Section 8 – Results Section 9 – Access Rights	e.g. background, foreground, ownership, what is „needed“ for implementation or exploitation

Action implementation

Non-compliance Art 11 (old 7)

SECTION 2 RULES FOR CARRYING OUT THE ACTION

ARTICLE 11 — PROPER IMPLEMENTATION OF THE ACTION

11.1 Obligation to properly implement the action

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement, the call conditions and all legal obligations under applicable EU, international and national law.

11.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

Consortium Agreement

How to make sure that one non-performing partner does not fail the project and makes all other partners work a lot more and/or pay back the EU funding?



DESCA

Model Consortium Agreement

- Most widespread model CA (now updated for Horizon Europe)
- The revised model for HE takes into account the new requirements and experiences from past projects
- DESCA is developed by ANRT, EARTO, KoWi, LERU, VTT, ZENIT, Fraunhofer, Helmholtz Association
- Simple and comprehensive structure, adapted to project management, with guidance notes and optional clauses for flexibility
- DESCA suits universities, research organizations, but can be used in business-oriented projects as well

💡 ~ 80% of organizations participating in H2020 have used DESCA.

The working group provides this model Consortium Agreement as draft without assuming any warranty or responsibility. The use of the text in total or in part takes place on the users own risk and does not release users from legal examination to cover their interests and protect their rights.



**for
Horizon Europe**

Version 1, December 2021

Short guide to DESCA

What's new in the HE DESCA?

- **Section 1** Definitions
- **Section 2** Purpose
- **Section 3** Entry into force, duration and termination
- **Section 4** Responsibilities of Parties
- **Section 5** Liability towards each other
- **Section 6** Governance structure
- **Section 7** Financial provisions
- **Section 8** Results
- **Section 9** Access Rights
- **Section 10** Non-disclosure of information
- **Section 11** Miscellaneous
- **Section 12** Signatures
- **Attachment 1** Background included
- **Attachment 2** Accession document
- **Attachment 3** List of Third Parties for simplified transfer according to Section 8.3.2
- **(Option) Attachment 4** Identified Affiliated Entities according to Section 9.5
- **(Option) Attachment 5** NDA for External Expert Advisory Board agreed under Section 6
- **Module GOV SP/LP**
- **Module IPR SC** Specific Software provisions

Updated terminology in HE DESCA

- Terminology aligned with new terminology of HE
- “Affiliated Entities” = the former “Linked Third Parties” (see MGA Article 2 Definitions)
- “Entities under the same control” defined in MGA Annex 5 (p. 101)
- “Participants” defined in MGA Article 2 Definitions
- “Other Participants” defined in MGA Article 9

Responsibilities of Parties

Section 4

4.1 General

Each Party undertakes:

- to take part in the efficient implementation of the Project, and to cooperate, perform and fulfil, promptly and on time
- act according to the obligations of the GA and CA in a manner of good faith as prescribed by Belgian law
- to notify promptly, any significant information, fact, problem or delay likely to affect the Project.
- provide all information reasonably required by a Consortium Body or by the Coordinator to carry out its tasks.

4.2 Breach

This section defines the situation and the procedures when the relevant Consortium Body declares a Party to be a Defaulting Party.

Responsibilities of Parties

Section 4

4.3 Involvement of third parties

A Party that enters into a subcontract or otherwise involves third parties (including but not limited to Affiliated Entities or other Participants) in the Project remains responsible for carrying out its relevant part of the Project and for such third party's compliance with the provisions of this Consortium Agreement and of the Grant Agreement. (...)

UPDATES

4.4 Specific responsibilities regarding data protection

- New section added
- Represents a minimum statement regarding GDPR
- When necessary, a separate agreement concerning data processing, data sharing and/or joint controlling should be made

Liability towards each other

Section 5

5.1 No warranties

This section sets the base for the limitation of liability with regard to outputs (covering also the Results and Background) delivered by one Party to another Party.

5.2 Limitations of contractual liability

This section explains the basic limitations of contractual liability including the indirect damages and direct damages.

The Parties may choose what amount to set as the limitation of liability. It is usually either once or twice their project share.

5.3 Damage caused to third parties

Each Party shall be solely liable for any loss, damage or injury to third parties resulting from the performance of the Party.

5.4 Force Majeure

No Party shall be considered to be in breach of the CA if it is prevented from fulfilling its obligations by Force Majeure. Relevant Consortium Bodies must be informed on time.

UPDATES

5.2 Limitation of contractual liability

- Wording and structure adjusted
- Options for different interests are provided as before; to be modified by each Consortium for each project

New Option 5.5: Export control

An option for a new Section 5.5 has been added for consideration to be used for projects in which import or export control is relevant – see Regulation (EU) 2021/821

Governance structure

Section 6

6.1 General structure

The organisational structure of the consortium shall comprise the following Consortium Bodies: **The General Assembly** is the decision-making body of the consortium. The Coordinator is the legal entity acting as the intermediary between the Parties and the Granting Authority. The Coordinator shall, in addition to its responsibilities as a Party, perform the tasks assigned to it as described in the Grant Agreement and this Consortium Agreement.

6.2 Members

- The General Assembly shall consist of one representative of each Party (hereinafter referred to as “Member”).
- The Coordinator shall chair all meetings of the General Assembly, unless decided otherwise by the General Assembly (...)

UPDATES

Use of the terms “Member” vs. “Party”:

- Approach: simplify wording, ensure consistency
- Member: the person representing a Party in the General Assembly/Executive Board
- Party: the legal entity participating in the project
- As regards exercise of rights, focus on level of “Party”, not “Member”

Governance structure

Section 6

6.3 Operational procedures for the General Assembly

- Representation in meetings
- Preparation and organisation of meetings (convening meetings, notices, sending agenda, hybrid meetings...)
- Decisions without a meeting
- Voting rules and quorum (2/3 vs simple majority)
- Veto rights
- Minutes of meetings
- Decisions of the General Assembly

6.4 Coordinator

Introducing the responsibilities of the Coordinator

💡 DESCA provides you with a model governance structure for Medium and Large Projects, and for Small Projects.

UPDATES

Optional 6.5 External Expert Advisory Board:

New option, following Consultation Group suggestions: Explicit mandate for Coordinator to sign non-disclosure-agreement with the members of the External Expert Advisory Board on behalf of the consortium, NDA to be inserted as Annex.

6.27. Additionally the Steering Committee Members are responsible for the quality of all Deliverables and Reports. All Deliverables are subject to the approval of the Steering Committee as follows:

- Draft version of the Deliverable shall be presented by the responsible Party three (3) weeks before the deadline identified in the EC-GA
- Coordinator evaluates quality, comments and makes suggestions for improvement if needed
- Second Draft version shall be presented by WP leaders two (2) weeks before the deadline identified in the EC-GA
- Coordinator and the Steering Committee members evaluate quality (accept/reject/improve) within one (1) week.
- Responsible Party has one (1) week to improve quality if necessary and get the approval of the Steering Committee members
- Approved Deliverable must be submitted by The Coordinator before the deadline identified in the EC-GA.
-
- In case the deadline identified in the EC-GA can not be met The Coordinator will contact the Project Officer and request extension.

Financial provisions

Section 7

7.1 General principles

7.1.1 Distribution of Financial Contribution

The financial contribution of the Granting Authority to the Project shall be distributed by the Coordinator according to: the Consortium Plan; the approval of reports by the Granting Authority, and the provisions of payment in Section 7.2. A Party shall be funded only for its tasks carried out in accordance with the Consortium Plan.

7.1.2 Justifying Costs

In accordance with its own usual accounting and management principles and practices, each Party shall be solely responsible for justifying its costs (and those of its Affiliated Entities, if any) (...)

7.1.3 Funding Principles

A Party that spends less than its allocated share of the budget as set out in the Consortium Plan or – in case of reimbursement via unit costs - implements less units than foreseen in the Consortium Plan will be funded in accordance with its units/actual duly justified eligible costs only. A Party that spends more than its allocated share of the budget as set out in the Consortium Plan will be funded only in respect of duly justified eligible costs up to an amount not exceeding that share.

Financial provisions

Section 7

7.1.4 Excess payments

A **Party** has received excess payment

- a) if the payment received from the Coordinator exceeds the amount declared or
- b) if a Party has received payments but, within the last year of the Project, its real Project costs fall significantly behind the costs it would be entitled to according to the Consortium Plan.

In case a Party has received excess payment, the Party has to inform the Coordinator and return the relevant amount to the Coordinator without undue delay. In case no refund takes place within 30 days upon request for return of excess payment from the Coordinator, the Party is in substantial breach of the Consortium Agreement. (...)

UPDATES

New excess payment clause 7.1.4

- For cases of overpayment in which the Mutual Insurance Mechanism does not intervene because the money is not due to the Granting Authority
- From the Commission's point of view, the distribution of funding among partners is an internal matter to be solved within the Consortium

Financial provisions

Section 7

7.1.5 Revenue

In case a Party earns any revenue that is deductible from the total funding as set out in the Consortium Plan, the deduction is only directed toward the Party earning such revenue. (...)

7.1.6 Financial Consequences of the termination of the participation of a Party

A Party leaving the consortium shall refund to the Coordinator any payments it has received except the amount of contribution accepted by the Granting Authority or another contributor. (...)

UPDATES

New clause:

- Explicit contractual obligation to pay back money to the coordinator in case of overpayment
- Procedure to deal with cases of overpayment in which the Party is reluctant to pay back –The General Assembly decides on “Defaulting Party” status

7.1.6 Termination of participation

- A Defaulting Party should bear costs occurring to the other Parties who perform the leaving Party’s tasks. The General Assembly should decide on a procedure regarding any additional costs not covered by the Defaulting Party or the Mutual Insurance Mechanism

Financial provisions

Section 7

7.2 Budgeting

7.2.1 Payments to Parties are the exclusive task of the Coordinator.

7.2.2 The transfer of the initial pre-financing, the additional pre-financings (if any) and interim payments to Parties will be handled in accordance with Article 22.1. and Article 7 of the Grant Agreement following this payment schedule:

You can select from different options.

To consider for Lump Sum grants

- The Commission will introduce further lump sum calls in 2022 and considers much wider use of lump sums for the Horizon Europe work programme 2023-2024
- The DESCA Core Group will build on the experience made with the first lump sum grants and plans to introduce lump sum options once there is sufficient experience with the implementation of lump sums

UPDATES

7.2.2 Payments (new element in this section)

– The Coordinator is entitled to recover any payments paid to a Defaulting party except the costs already claimed by the Defaulting Party and accepted by the Granting Authority.

Financial provisions

7.2.2 Payment schedule - examples

The amount of the pre-financing will be defined in Art. 22.1 of the GA by the Granting Authority. It will be 85% of the maximum EC contribution. 5% of the maximum grant amount, will be transferred directly by the Granting Authority to the Mutual Insurance Mechanism. So, the actual transfer will be 80%. After receiving the Pre-financing from the Granting Authority, the Coordinator will transfer the Funding to the Parties in separate instalments as agreed below:

- **60 %** On receipt of the pre-financing
- **40 %** Later, after the Coordinator has received and assessed the technical and financial input for the first internal report (for the period M1-M9) from Parties and if the reported data proves the demand for payment.

If the demand for payment occurs earlier than after 9 months, starting from the first month of the project, respective Party can provide the internal report to the Coordinator and receive the payment earlier than after 9 months.

The transfer of the initial pre-financing, the additional pre-financings (if any) and interim payments to Parties will be handled in accordance with Article 22.1. and Article 7 of the Grant Agreement following this payment schedule:

Funding of costs included in the Consortium Plan will be paid by the Coordinator to the Parties after receipt of payments from the Granting Authority in separate instalments as agreed below:

- **75 %** On receipt of the pre-financing
- **Remaining 25 % of the pre-financing:** At the end of month 18 of the project, upon achievement of the Milestone M4 – e-solutions running.

Results

Section 8

8.1 Ownership of results

Results are owned by the Party that generates them.

8.2 Joint ownership

Option 1

- each of the joint owners shall be entitled to use their jointly owned Results for non-commercial research and teaching activities on a royalty-free basis, and without requiring the prior consent of the other joint owner(s).
- each of the joint owners shall be entitled to otherwise Exploit the jointly owned Results and to grant non-exclusive licenses to third parties (without any right to sub-license), if the other joint owners are given: (a) at least 45 calendar days advance notice; and (b) fair and reasonable compensation.

The joint owners shall agree on all protection measures and the division of related cost in advance.



Results

Section 8

8.2 Joint ownership

Option 2

- In case of joint ownership, each of the joint owners shall be entitled to Exploit the joint Results as it sees fit, and to grant non-exclusive licenses, without obtaining any consent from, paying compensation to, or otherwise accounting to any other joint owner, unless otherwise agreed between the joint owners.
- The joint owners shall agree on all protection measures and the division of related cost in advance.

UPDATES

8.2 Joint ownership

- Addition of teaching activities for the use of jointly owned Results
- Elucidations address non-commercial research and aspects to be taken into account if the consortium wishes to define it.

Note on ownership regime

Section 8.1 Ownership of results

Results are owned by the Party that generates them. In particular:

- For **Results in the form of software**, ownership is granted to the Party (or Parties) who designs (design) the software and writes (write) the codes.
- For **Results in the form of database**, ownership is granted to the Party (or Parties) who provides the data.

Improvements exclusively made by one Party to its Background in the framework of the Project shall remain the property of this Party.



Results

Section 8

8.3 Transfer of results

- Each Party may transfer ownership of its own Results.
- This section defined the conditions for transferring the results to specific third parties (identified in Attachment 3).
- Rights of the other Parties should not be affected by such transfer.

UPDATES

8.3.1 Transfer of own Results

- Now including jointly owned Results for clarification

Results

Section 8

8.4 Dissemination (own results and other Party's unpublishes results)

- The consortium agreement should set out rules how results will be identified, reported, protected, disseminated and exploited.
- You should put in place a process to identify valuable results.
- Parties may have different interests as regards the dissemination of results (publish vs confidential).
- The rules should ensure that decisions on disseminating the results takes account of the interests of all Parties (not resulting delay in dissemination – prior notice, rejection of request).
- Disseminating other Party's unpublishes results requires prior approval.

UPDATES

8.4.2 Dissemination of own (including jointly owned) Results

- Addition of a new objection ground about Confidential Information in 8.4.2.2
- Elucidations address the possibility of making a distinction between different forms of dissemination with different timeframes.

Access Rights

Section 9

9.1 Background included

9.1.1 In Attachment 1, the Parties have identified and agreed on the Background for the Project and have also, where relevant, informed each other that Access to specific Background is subject to legal restrictions or limits. Anything not identified in Attachment 1 shall not be the object of Access Right obligations regarding Background.

9.1.2 Any Party may add additional Background to Attachment 1 during the Project provided they give written notice to the other Parties. However, approval of the General Assembly is needed should a Party wish to modify or withdraw its Background in Attachment 1.



Access Rights

Section 9

9.2 General Principles

9.2.1 Each Party shall implement its tasks in accordance with the Consortium Plan and shall bear sole responsibility for ensuring that its acts within the Project do not knowingly infringe third party property rights.

9.2.2 Any Access Rights granted exclude any rights to sublicense unless expressly stated otherwise.

9.2.3 Access Rights shall be free of any administrative transfer costs.

9.2.4 Access Rights are granted on a non-exclusive basis.

9.2.5 Results and Background shall be used only for the purposes for which Access Rights to it have been granted.

9.2.6 All requests for Access Rights shall be made in writing. The granting of Access Rights may be made conditional on the acceptance of specific conditions aimed at ensuring that these rights will be used only for the intended purpose and that appropriate confidentiality obligations are in place.

9.2.7 The requesting Party must show that the Access Rights are Needed.



Access Rights

Section 9

9.3 Access Rights for implementation

Access Rights to Results and Background Needed for the performance of the own work of a Party under the Project shall be granted on a royalty-free basis, unless otherwise agreed for Background in Attachment 1.

9.4 Access Rights for Exploitation

9.4.1 Access Rights to Results

- Option 1) Access Rights to Results if Needed for Exploitation of a Party's own Results shall be granted on Fair and Reasonable conditions. Access rights to Results for internal research and for teaching activities shall be granted on a royalty-free basis.
- Option 2) Access Rights to Results if Needed for Exploitation of a Party's own Results shall be granted on a royalty-free basis.

9.4.2 Access Rights to Background if Needed for Exploitation of a Party's own Results, shall be granted on Fair and Reasonable conditions.

9.4.3 A request for Access Rights may be made up to 12 months after the end of the Project or, in the case of Section 9.7.2.1.2, after the termination of the requesting Party's participation in the Project.

UPDATES

9.4.1 Access Rights for Exploitation

– Teaching purpose added in Access Rights to Results for internal research in 9.4.1

– Clarification on Access Rights to Background in the elucidations (9.4.2), to the effect that exploitation can be any activity outside of Implementation of the Action, including research on behalf of a third party, linked to the EC Model Grant Agreement

Access Rights

Section 9

9.5 Access Rights for entities under the same control

9.6 Additional Access Rights

9.7 Access Rights for Parties entering or leaving the consortium

9.8 Specific Provisions for Access Rights to Software

For the avoidance of doubt, the general provisions for Access Rights provided for in this Section 9 are applicable also to Software.

UPDATES

9.5 Access Rights for Entities under the same control and related Attachment 4

- Terminology clarification in the elucidations regarding entities under the same control

Module IPR SC on Software

- Insertion of an option for cases in which software is introduced under controlled license terms

Access rights

Section 9

	ACCESS RIGHTS TO BACKGROUND	ACCESS RIGHTS TO RESULTS OF THE PROJECT
FOR CARRYING OUT THE PROJECT	<p>IF A PARTICIPANT NEEDS THEM FOR CARRYING OUT ITS OWN TASKS IN THE PROJECT</p> <p>ROYALTY-FREE UNLESS OTHERWISE AGREED</p> <p>IN ATTACHMENT 1 (BACKGROUND INCLUDED)</p>	<p>ROYALTY-FREE</p>
FOR EXPLOITATION	<p>IF A PARTICIPANT NEEDS THEM FOR EXPLOITING ITS OWN RESULTS</p> <p>FAIR AND REASONABLE CONDITIONS</p>	<p>OPTION 1: FAIR AND REASONABLE CONDITIONS: INTERNAL RESEARCH ROYALTY-FREE</p> <p>OPTION 2: ROYALTY-FREE</p>

Access rights

Time conditions

'Fair and reasonable conditions' means appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged.

**FOR CARRYING
OUT THE
PROJECT**

ANY TIME
DURING PROJECT
IMPLEMENTATION

**FOR
EXPLOITATION**

**Unless agreed otherwise,
up to one year after the period
set out in Art. 3 GA)**



Access rights

IP due diligence

- **list the IP assets:** preparation of an IP inventory.
- **identify the ownership of potential background assets:** clarifying the owner of IP assets. There are several options when it comes to the ownership regime of background:
 - (i) the owner of the asset can be the beneficiary
 - (ii) the beneficiary can be one of the co-owners or
 - (iii) the asset may be owned by a third party, but the beneficiary has the right to use the asset (e.g. as a licensee).
- **find out restrictions on use (if any):** checking if there are any contractual or legal limitations on use of the IP assets.
- **define the relevance of the assets:** deciding which background assets are “needed” for other beneficiaries to carry out their project tasks, and when exploiting their own project results.
- **check if any IP protection measure should be taken:** taking possible IP protection measures for the listed IP assets.



Access rights

Access to Background

To list:

- Background you bring into the project
- Owner(s) of the background
- Access rights for implementation
- Access rights for exploitation

💡 This list is always a **positive list**. Do not list background you will not give access to.

Background	Owner of the Background	Access Rights - Specific limitations and/or conditions for implementation (Article 25.2)	Access Rights - Specific limitations and/or conditions for exploitation (Article 25.3)
DE Patent No. 123456, title [...] filed on 7/1/2010	Beneficiary-1	Free of charge to all beneficiaries	
European Patent No. 123456, title [...] filed on 25/3/2012	Third party X, exclusive licensee: Beneficiary-2	Shall only be used by Beneficiary-2 as being the exclusive licensee. Shall not be used by other beneficiaries.	
Database [...]	Beneficiary-1	Shall only be used by Beneficiary-1. No access rights for other beneficiaries.	Shall be used by Beneficiary-2 only within Spain, by Beneficiary-3 only within France.
Clinical results for application of [...], licensed from Third party Y	Third party Y, licensee: Beneficiary-3	Disclosed under NDA ²⁴ , any disclosure or use needs confidentiality provisions approved by the Third party Y and Beneficiary-3	Excluded
Source code for [...]	Beneficiary-4	Excluded	Excluded

Key takeaways

- Nothing can be agreed on until everyone agrees and you will not conflict with the GA (or the applicable law).
- Consider the conditions of the project and make sure you try to avoid certain risks with the help of the CA articles – tailor the DESCA.
- Make sure that joint ownership and other potential IPR conflicts – if relevant – are properly tackled at the proposal development stage already.



A black clothespin is hanging a white rectangular card from a thin, dark string. The card is centered and features the word "QUESTIONS?" in a bold, orange, sans-serif font. The background is a light gray, textured surface.

QUESTIONS?

Thank you

for your attention

Gabriella Lovasz
gabriella.lovasz@europamedia.org

FOLLOW US!



@EuropaMedia
@gabocsek

© Europa Media

It is strictly prohibited to use or distribute the content and design of this presentation without Europa Media's prior consent.