

**Actions arising from the meeting of the Task Force on  
instruments  
8 March 2002**

Chair: P. Kind (RTD-B)

Present: P. Baader (INFSO), J-D Malo (RTD-A3), K.Kögler (RTD-A4), C. Renier (RTD-B2), M. Richards (RTD-G4), E. Rille (RTD-L4), K. Rouhana (INFSO), N. Sabatier (RTD-A3), R-J Smits (RTD-A3), J.Van Oost (INFSO)

The purpose of this meeting was to try to settle certain outstanding issues concerning the financial regime for integrated projects. There was also a first discussion on the participation of SMEs in the new instruments on the basis of papers from DGINFSO and DGRTD.

- ***Audit certificates***

A paper by **JDM** formed the basis of discussion. The chairman's summing up of the consensus reached in the meeting is attached.

A further discussion of this issue will take place at the next meeting.

- ***"Hidden contractors"***

It was agreed that all "hidden contractors" (third parties contributing directly to the work of participant) should be named in the contract together with a description of their contribution to the project and the financial arrangements for receiving Community support (e.g. cost methodology, which could be different from that of the participant to which they are associated).

- **Subcontracting of the management**

Although no final conclusion was reached, there was a consensus that, when management is subcontracted, the Community contribution should not exceed 50% of costs. This raises a question of how to handle AC participants, who would normally receive 100% of the costs of all subcontracts.

These points will be discussed again at the next meeting.

- **A ceiling on management costs at 100%**

The possibility of a degressive percentage (i.e. one that reduces as the grant for the budget increases) was suggested. This will be further examined in the next meeting together with an analysis of which costs would be eligible for support at 100%.

- ***Place of SMEs in the new instruments***

Two documents were presented on the issue, coming from **RJS** and **KR**. There was a consensus that proactive measures will be needed to ensure a satisfactory participation by SMEs, given the 15% objective.

Among the proactive measures discussed were: the provision of specific information and assistance for SMEs; encouraging the participation of SME groupings, which could have significant potential and needs further development; creating SME friendly evaluation criteria, though without distorting the overall criteria; support within the projects for technology transfer and take-up measures; integrated projects reserved for SMEs; and the possibility of targeting topping-up calls towards SMEs.

**A3** agreed to revise their paper and to incorporate into it the INFISO paper. **R-JS**, **KK** and **KR** to produce a joint document for discussion at the meeting scheduled for 12 April (after which there will be a presentation of the LINK scheme by its Director).

**Next meeting: Please note that the meeting foreseen for 15 March is cancelled. The next meeting may not now take place before 12 April.**