



**FUEL CELLS AND HYDROGEN**  
JOINT UNDERTAKING

**FCH 2 JU**  
**Financial Workshop**

**Third parties**

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# THIRD PARTIES

## Overview



Notion of third parties in H2020

Individual overview: linked third parties, subcontractors, contractors, in-kind contributors, international partners

9 case questions



# THIRD PARTIES

## DEFINITION



### What is a third party?

**A legal entity which carries out work of the action, supplies goods or provide services for the action, but which did not sign the grant agreement**

### What types of third parties?

- 1. Third parties directly carrying out part of the work described in Annex 1: Linked third parties and Subcontractors**
- 2. Other third parties providing resources, goods or services to the beneficiaries for them to carry out the work described**  
in Annex 1: Contractors and In-kind Contributors

- 3. International Partners**



# Third parties

Types of third parties in H2020



**Linked third parties**  
Carry out work

**NEW: International Partners**

**Subcontracts**  
Carry out work

**(Purchase) Contracts**  
Provide resources

**In-kind contributions**  
Provide resources



# THIRD PARTIES

Third parties directly carrying out part of the work



## 1. Linked Third Parties

- Must be identified in the GA
- Same costs eligibility criteria as for beneficiaries

## 2. Subcontractors

- Best value for money and no conflict of interest
- Subcontracting between beneficiaries/ to affiliates / Coordination tasks: not allowed
- Indirect costs are not applicable



# THIRD PARTIES

Other third parties



## 1. (Purchase) contracts necessary for the implementation

- For the purchase of goods, works and services
- Best value for money and no conflict of interest

## 2. In-kind contributors: free of charge OR against payment

- Only the actual eligible costs of the third party contributing in kind
- What: seconded personnel, contributed equipment / infrastructure / other assets or other contributed goods and services
- Indirect costs: are taken into account if on premises; NOT taken into account if outside premises

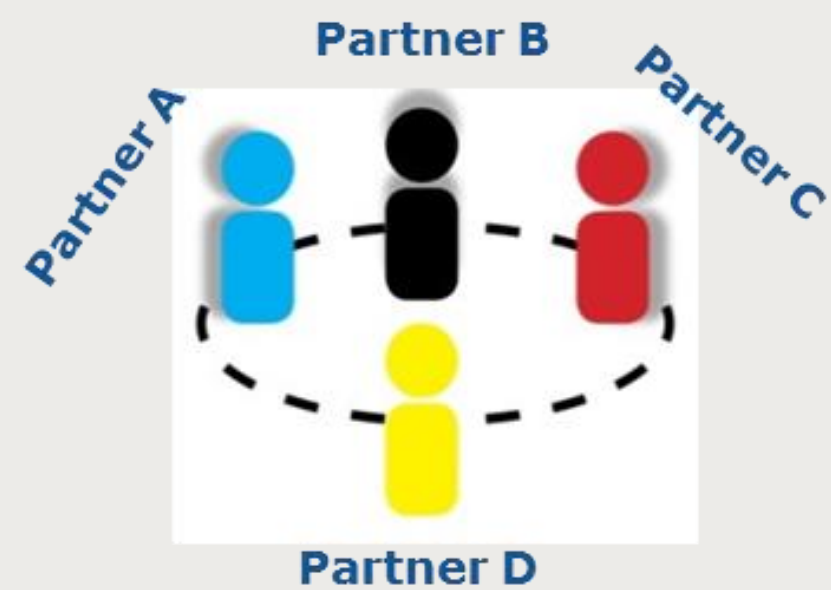


# THRID PARTIES

NEW type of third party



## INTERNATIONAL PARTNERS



- Signatories of the GA
- Partner B has one International Partner



Idea to work together

### HOW TO?

- ❖ Will be linked to Partner B
- ❖ PIC number necessary
- ❖ Not Signatory of the GA
- ❖ No EU funding
- ❖ Own (non EU) Budget
- ❖ Action Tasks in the Project
- ❖ No financial reporting
- ❖ No legal link necessary



# THIRD PARTIES

## GENERAL OVERVIEW



| Types of third parties                        | CHARACTERISTICS         |                                |                   |                              |                |  |                    |
|---|-------------------------|--------------------------------|-------------------|------------------------------|----------------|--|--------------------|
|   | Does work of the action | Provides resources or services | What is eligible? | Must be indicated in Annex 1 | Indirect costs | Selecting the third party                        | Articles           |
| <b>Linked third party</b>                     | <b>YES</b>              | <b>NO</b>                      | <b>Costs</b>      | <b>YES</b>                   | <b>YES</b>     | Must be affiliated or have a legal link          | Article 14         |
| <b>Subcontractors</b>                         | <b>YES</b>              | <b>NO</b>                      | <b>Price</b>      | <b>YES</b>                   | <b>NO</b>      | Best value for money, avoid conflict of interest | Article 13         |
| <b>In-kind contributions by third parties</b> | <b>NO</b>               | <b>YES</b>                     | <b>Costs</b>      | <b>YES</b>                   | <b>YES</b>     | Not used to circumvent the rules                 | Articles 11 and 12 |
| <b>Contractors</b>                            | <b>NO</b>               | <b>YES</b>                     | <b>Price</b>      | <b>NO</b>                    | <b>YES</b>     | Best value for money, avoid conflict of interest | Article 10         |





# SUBCONTRACTING

Case question 1



<https://pollev.com/laurentsamyn066>



**Coordinator A has foreseen a subcontract for the design, hosting and maintenance of the project website. The subcontract is explained and included both in the Annex 1 – the DoA and in the Annex 2 – the Estimated Budget  
Are indirect costs applicable to the subcontract?**

**A YES**

**B NO**



# SUBCONTRACTING

## Case question 2



<https://pollev.com/laurentsamyn066>



**Coordinator A, a body governed by public law, has foreseen a subcontract for the design , hosting and maintenance of the project website. The subcontract is explained and included both in the Annex 1 – the DoA and in the Annex 2 – the Estimated Budget. Does the coordinator as a contracting authority have to follow public procurement law?**

**A YES**

**B NO**



# SUBCONTRACTING

## Case question 3



<https://pollev.com/laurentsamyn066>



Coordinator A did not foresee any other subcontract than the design of the website. At the end of the RP 1, it reports an 'unforeseen subcontract' in the Financial Report for the following services: review of deliverables to be submitted on behalf of the consortium, and verification of their completeness and correctness before passing them on to the FCH 2 JU.

Can the costs of an 'unforeseen subcontract' be eligible?

A YES

B NO



# SUBCONTRACTING

Case question 4



<https://pollev.com/laurentsamyn066>



Coordinator A did not foresee any other subcontract that the design of the website. At the end of the RP 1, it reports an 'unforeseen subcontract' in the Financial Report for the following services: review of deliverables to be submitted on behalf of the consortium, and verification of their completeness and correctness before passing them on to the FCH 2 JU.  
Is this specific subcontract eligible?

**A YES**

**B NO**



# PURCHASE CONTRACTS

Case question 5



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**Beneficiary B has foreseen a budget of 210.000 € for consumables and supplies necessary for the project implementation. B wishes to purchase from Beneficiary C of the same project one item – safety equipment – budgeted for 30.000€.  
Is the purchase cost for the safety equipment eligible?**

**A YES**

**B NO**



# LINKED THIRD PARTIES. PURCHASE CONTRACT

Case question 6



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Beneficiary B will work together with affiliate company X. X is participating in the project as linked third party and has foreseen in their budget ( Annex 1 and Annex 2) only personnel costs. Beneficiary B usually purchases wires from X. The budget of B foresees a total of 13.000€ for purchase of wires.

Can Beneficiary B purchase the wires from linked third party X as budgeted?

A YES

B NO



# LINKED THIRD PARTY

Case question 7



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5 months after the start of the project, Beneficiary B would like to add another linked third party to the project. Beneficiary B owns X - a French company, but also owns company Y - a US company.

Can company Y be added as a linked third party to the project?

A YES

B NO



# IN KIND CONTRIBUTOR AGAINST PAYMENT

Case question 8



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A researcher is seconded to Coordinator A by a legal entity (a public research center). This researcher works for A on its premises. The public research center charges the researcher's costs (salary + social security of 70.000 €) to A, who reimburses it. The invoice from the public research center includes its own indirect costs. Are the indirect costs of the public research center eligible?

A YES

B NO





# IN KIND CONTRIBUTOR FOR FREE

Case question 9



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The same public research centre makes available for free to Coordinator A the use of infrastructure for testing activities.

This infrastructure is used by Coordinator A not only in the project but also for other research activities ( it is not specific only to this project).

Can Coordinator A declare the costs of the public research center for the proportional use of the infrastructure as costs?

**A YES**

**B NO**





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### For further information

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