



EUROPEAN COMMISSION

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NOTE FOR THE FILE

**Subject: Discussion on simplification of allowance Categories in 2011
PEOPLE Work Programme**

At the 5 February 2010 meeting of the People Programme Committee the Commission presented some possibilities to simplify the allowance categories in the 2011 Work Programme. This note summarizes the presentation and identifies the issues where input and feedback is sought from the Member States.

The aim of the simplification is to respond to persistent criticism that the cost structure is unnecessarily complex. The overall idea is to have a single allowances table for the host actions (ITN, IAPP) in the Work Programme instead of 2, and likewise a single allowances table for the individual actions (IEF, IOF and IIF). Cost categories of Reintegration grants, COFUND and IRSES, already currently based on a single flat rate, are not affected.

Essentially what the Commission has presented can be summarised as follows.

HOST DRIVEN ACTIONS

For **Host Driven Actions** (ITN, IAPP) the possible changes are as follows:

- (1) Merging Categories A, B and C (WP 2010) into a new Monthly Living and Household Allowance.

The Living Allowance component could remain unchanged and would simply be adjusted for inflation as is usually the case each year.

The former Mobility allowance (500 or 800 EUR) , the annual travel allowance (250 to 2500 EUR) and the Career Development allowance of 2000 EUR could be replaced by a single flat rate "Household Allowance" of 1000 EUR per month.

The Commission would welcome the views of the Committee concerning this possible change from a number of angles. Would it be a welcome simplification? Is the level of the allowance appropriate given that it is likely to be subject to taxation? If the simplification is supported, how best to ensure that the change is perceived to be at least as "family friendly" as before?

Merging Categories D, E and F into a single category with a flat rate of 1800 EUR for both IAPP and ITN.

The distinction between lab and non-lab based research support in ITN could be merged in a single category. Currently in the 2010 Work Programme for categories D, E and F combined the comparison figures are 1500 EUR for non-lab based and 1800 for lab-based research. This distinction did not exist for the IAPP action, but here the suggestion is to consider increasing the current flat rate of 1200 EUR to 1800 EUR in line with ITN.

(2) Increase the support for Management Activities to 10 % of direct costs.

Essentially this would mean an increase for ITN from 7% to 10% and for IAPP from 3% to 10%.

(3) Increase the Overheads support from the current level of 10% to 15%.

The current category I offering support for small equipment expenses for SMEs participating in the IAPP action would remain unchanged.

INDIVIDUAL DRIVEN ACTIONS

For the **Individual Driven Actions** (IEF, IOF IIF) the same changes to categories A, B and C could be envisaged as described above in point (1).

(4) For category D it could be envisaged to take away the differentiation between non-lab and lab-based research. Currently the flat rates are 500 EUR and 800 EUR respectively. This could be replaced by a single flat rate of 800 EUR.

Categories E, F which are currently not applicable to Individual Drive Actions would disappear.

Category I could also disappear but the current possibility in the IIF scheme of a return grant of 15,000 EUR for those researchers returning to an ICPC country after their fellowship would not be unchanged.

The Commission would value your input on the presented changes and your comments on the document as a whole or on individual parts which you may support or reject.

In particular, we would also appreciate comments on the amounts proposed. The Commission is aware that the suggestions increase the current rates, and will impact on the total costs of the actions. It is estimated that the proposed rates increase the costs per fellowship year of the following order of magnitude:

- ITN: ~10%
- IAPP: ~20%
- IEF, IIF and IOF: ~4%

Views on the above points are now being sought.



PAST

**HOST ACTIONS
(ITN & IAPP)**

	Eligible expenses for the activities carried out by the researchers				Eligible expenses for the activities carried out by the host organisations				
	- A -	- B -	- C -	- D -	- E -	- F -	- G -	- H -	- I -
WP 2009-2010	Monthly living and mobility allowance*	Travel Allowance	Career exploratory allowance	Contribution to the participation expenses of eligible researchers	Contribution to the research/training /transfer of knowledge programme expenses	Contribution to the organisation of international conferences, workshops and events	Management activities (including audit certification if applicable)	Contribution to overheads	Other types of eligible expenses / specific conditions
Marie Curie HOST ACTIONS	1- <u>Monthly living allowance</u> 2- <u>Monthly mobility allowance</u> ; - EUR 500 without a family - EUR 800 with family	Fixed amount based in direct distance between place of origin and host institution	EUR 2 000 for a stay of at least one year	<u>ITN only</u> : EUR 300/r-m or non lab based projects; EUR 600/r-m or lab based projects	Fixed amount of EUR 1200 per researcher month	N/A	<u>ITN</u> : Maximum of 7 % of the total EC contribution for networks <u>IAPP</u> : Maximum of 3 % of total EC contribution	10 % of direct costs	For SMEs in <u>IAPP</u> only: Small equipment expenses up to maximum 10% of total contribution to SME participant

FUTURE?

WP 2011	Monthly living and household allowance*	Contribution to the training expenses of eligible researchers and research/transfer of knowledge programme expenses	Management activities (including audit certification if applicable)	Contribution to overheads	Other types of eligible expenses / specific conditions
Marie Curie HOST ACTIONS	1- Monthly living allowance 2- Monthly household allowance: EUR 1000 flat rate allowance	Flat rate of EUR 1800	Maximum of 10 % of the total EC contribution	15 % of direct costs except for subcontractors	For SMEs in <u>IAPP</u> only: Small equipment expenses up to maximum 10% of total contribution to SME participant

* Correction factor for the cost of living to be applied





PAST

INDIVIDUAL ACTIONS (IEF, IOF, IIF)

FUTURE?

** Correction factor for the cost of living to be applied*

	Eligible expenses for the activities carried out by the researcher				Eligible expenses for the activities carried out by the host organisations				
	- A -	- B -	- C -	- D -	- E -	- F -	- G -	- H -	- I -
WP 2009-2010	Monthly living and mobility allowance*	Travel Allowance	Career exploration allowance	Contribution to the participation expenses of eligible researchers	Contribution to the research/training/transfer of knowledge programme expenses	Contribution to the organisation of international conferences workshops and events	Management activities (including audit certification if applicable)	Contribution to overheads	Other types of eligible expenses / specific conditions
Marie Curie IEF	1- Monthly living allowance 2- Monthly mobility allowance: - EUR 500 without a family - EUR 800 with family	Fixed amount based in direct distance between place of origin and host institution	IEF only: EUR 2 000 for a stay of at least one year	EUR 500/r-m for on lab based projects; EUR 800/r-m for lab based projects	N/A	N/A	EUR 700/r-m to which the correction factor for the cost of living is applied. Total amount cannot exceed 20% of the total direct costs.		N/A

WP 2011	Monthly living and household allowance *	Contribution to the training expenses of eligible researchers and research/transfer of knowledge programme expenses	Management activities and overheads * (including audit certification if applicable)
Marie Curie IEF, IOF**, IIF**	1- Monthly living allowance 2- Monthly household allowance: EUR 1000 flat rate allowance	Flat rate of EUR 800	Flat rate of EUR 700



*** International Outgoing Fellowships/reintegration phase:** the monthly household allowance is not applicable in the case of reintegration in the researcher's country of origin which is defined as the country where the researcher has carried out her/his main activity for the longest period in the three years immediately preceding the call deadline.

**** Incoming International Fellowships/possible return phase:** contribution managed by the hosting organisation for expenses related to the integration of the researcher in the return host institution. Composed of a flat rate of EUR 15 000 per researcher/year during the period of reintegration up to a maximum of 1 year.