

## ITEA 2 contribution rules

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According to Article VII.1 of the ITEA 2 Frame Agreement, all costs covered by the approved ITEA 2 budget shall be borne by ITEA 2 Partners proportionate to the sum of the **planned** manpower of all labelled ITEA 2 projects together in which the partner is participating (as mentioned in the latest Full Project Proposals, including accepted Change Requests) **for the relevant year** (the first 5 person-years/year are free of charge). Universities are exempt from this ruling.

### Responsibilities

1. The ITEA 2 Office is responsible for calculating and invoicing the **contribution** to be paid by each ITEA 2 Partner.
2. The ITEA 2 Board is responsible for determining and approving the contribution rules and the standard annual **ITEA 2-contribution fee** (e.g. for **2007** the contribution fee for ITEA and for ITEA 2 has been set at **€1,500 / person-year**). The decision on the ITEA 2 fee for 2008 will be taken in the Board meeting end of 2007.

### Billing procedure

1. The ITEA 2 Office invoices the annual contribution for each partner in ITEA 2 in advance in two six-monthly instalments: in January for the first half of the yearly contribution and in July for the second half of the yearly contribution. Exception to this rule: the first instalment for new projects labelled in the last Call (Call 1) will be invoiced in May 2007 instead of January 2007.
2. The invoices for participation to ITEA 2 projects will be separate from the invoices issued for participation in the ITEA projects, since different contribution rules apply for both programmes.
3. The two invoice instalments are independent of the starting or end date in a year. So even when a project starts in September, partners will already receive an invoice in January/May and July of that same year. Similar to this: if a project ends in May, partners will still get an invoice in July.
4. Each year the first 5 person-years of the total effort of each partner (including its subsidiaries and other divisions) are free of charge. Universities are exempt from paying any contribution.
5. The six-monthly instalment is calculated as follows:  
***Each six-monthly instalment = 50% of ((total planned manpower in ITEA 2 per partner per year minus 5 person-years) x ITEA 2 contribution fee).***
  - In case the total planned manpower is equal to or less than 5 person-years no invoice will be issued.
6. The **total planned manpower in ITEA 2 per partner** in a given year is specified in the latest version of the Full Project Proposal (FPP) of each ITEA 2 project in which the partner participates. (N.B. this calculation is based on all subsidiaries and/or divisions participating in any ITEA 2 project during that year).
7. Deviations in the project effort as defined and accepted in change requests (specified in the latest FPP) with respect to earlier periods will be taken into account in each invoice instalment as a correction (i.e. the total contribution per project for each partner is based on the total project effort specified in the latest FPP).
8. The basis for the six-monthly instalments is **the ITEA 2-contribution fee per person-year**, which is derived from the ITEA 2 annual budget and approved each year by the ITEA 2 Board.
9. Changes to specified manpower are taken into account only if **announced to the ITEA 2 Office via a formal Change Request before the relevant contribution reference date** (January 1, May 1 or July 1).

### References

1. ITEA 2 Founding Partners, *ITEA 2 Frame Agreement* – Version 8, 25 November 2005