

Guidelines for completing the Project Account Report

These guidelines apply for Industrial Ph.D. projects only.

The Research Council of Norway has launched a digital version of the project account report.

The new report is to be used by all Industrial Ph.D. projects. The report is to be filled out and submitted digitally.

The project account report is to show the total costs incurred by the project during the relevant accounting period. The project account report should only include actual costs that are directly related to the project as stipulated in the contract documents.

For projects that receive lab funding, an additional lab funding form is to be filled out and submitted as a pdf attachment.

NOTE! The funding sum from The Research Council can be manually suggested in accordance with the yearly rate stipulated in the contract under 2.5, see section 4.5 in this guidance for more information.

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1. Inclusion of information in the Project Account Report

The Research Council is required to perform control measures in relation to our grants, cf. the Regulations on Financial Management in Central Government Section 6.3.8.2. We therefore ask you to

enter information from the enterprise's accounts in the project accounting reports. This makes it possible to control the costs reported in the project accounts against the enterprise's official accounts.

Information about your personal identity number or D number

In connection with reporting, we ask you to state your personal identity number or D number as well as other personal data. The personal identity numbers we obtain are used by the Research Council to control that the hours and costs related to a specific job performed by a specific person are entered correctly. We can then ensure that they are not reported across enterprises and projects and allocated double funding. We also safeguard your right to secure and correct identification.

Only selected Research Council employees with special responsibility for organising and controlling reporting have access to your personal ID number, and then only to the extent necessary to perform the control measures.

The Research Council's grounds for processing personal ID numbers and D numbers is set out in GDPR Article 6(1)(e) that 'processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller', supplemented by the Regulations on Financial Management in Central Government Section 6.3.8.2. (cf. GDPR Article 6(3)).

When the control period has ended, your personal ID number/D number will be deleted. The control period ends when the project has been completed and the final report has been approved.

For more information about the Research Council's processing of personal data, please see our [Personal data protection – privacy statement](#) and our guidelines for [Processing of personal data](#).

The information provided under this point, 'Collection of data for project accounting reports', must be communicated to everyone who shares their personal data with the Research Council. If you report personal data on behalf of others, you must forward this information to the person concerned if they have not already received it. The Project Owner is responsible for ensuring that everyone receives the information.

2. State aid

In projects where the Research Council's allocation is used to cover a portion of the costs of companies (the project owner), the support from the Research Council to these companies constitutes [state aid](#). In Industrial Ph.D. projects, support will be allotted based on the planned distribution of project costs between the main activities and [standard rates](#) (and in some cases extra lab funding), which are stated in the contract. Funding cannot exceed 50% of the company's total costs. If there are significant changes to the planned cost distribution during the implementation of the project, this must be reported to the Research Council as a deviation.

All deviations/changes in a project may mean that the support awarded is no longer in compliance with the state aid rules.

Guidelines relating to use of actual state aid

The table below shows the Project Owner first followed by all collaborating partners. The funding awarded by the Research Council must be distributed between the Project Owner and the collaborating partners. State aid should only be distributed between partners that are both financing the project and contributing R&D services, and that are registered as an **enterprise**.

For Innovation Projects, the entire amount of funding for the reported period from the Research Council constitutes state aid. The funding must be distributed between the Project Owner and the collaborating partners that receive funding.

Partners providing R&D services does not receive state aid in Innovation Projects. No amount must be provided to these partners. The degree-conferring institution is **NOT** an enterprise and no amount must be entered.

According to the state aid rules, funding awarded to an enterprise constitutes state aid.

An “enterprise” in this context is defined as any actor that carries out an economic activity consisting of offering products or services on a given market. When an undertaking receives support to cover a portion of its project costs, either in the role as Project Owner or as a partner in the project, this support must be awarded in accordance with Article 25 of the General Block Exemption Regulation for state aid (Commission Regulation (EU) No 651/2014). (<https://www.forskningsradet.no/en/apply-for-funding/funding-from-the-researchcouncil/Conditions-for-awarding-state-aid/>)

3. Guidelines relating to “Costs per project partner”

All project costs reported in the project account report must be expensed and retrievable in the official accounts.

Please note: In Industrial Ph.D. projects you are solely to include costs for the project owning company. I.e. when filling out the report you are *not* to include costs under collaboration partners.

3.1 Payroll and indirect expenses

Here you are to enter payroll and indirect expenses for R&D personnel, i.e. the Ph.D. candidate, the company supervisor, and any other project participants, provided that they carry out R&D tasks in the project. Under this post you are to exclusively register costs for project participants who are employed by the project owning company.

The costs for each staff member are to be specified using an hourly rate. This rate is to cover salary costs with an added overhead for social security costs related to the salary and indirect expenses related to R&D personnel’s performance of activities in the project. The added overhead for indirect expenses must be verifiable on the basis of costs entered into the entity’s accounts. An average rate for groups of project personnel at an individual partner may only be used when this has been agreed in writing with the Research Council for this project. If you register multiple individuals with the same hourly rate, you must enter a comment about this on the page for Total costs.

Hourly rates may be calculated on the basis of the nominal annual salary of the individual multiplied by a calculation factor determined by the amount of the social security costs and indirect expenses for the relevant project partner. Each project partner must determine the calculation factor that reflects its actual indirect costs. A project partner with low indirect expenses will need to use a lower calculation factor than a partner with high indirect expenses.

The maximum hourly rate accepted is NOK 1 100/hour.

Nominal annual salary is the yearly salary paid to an employee that forms the basis for ongoing salary payments (not including overtime, bonuses or other extras). For part-time employees, the annual salary is calculated by converting the employment fraction in the contract to a full-time equivalent.

Social security costs are the employer’s extra costs related to the individual employee’s nominal annual salary, such as holiday pay, employers’ social insurance contributions, mandatory occupational pensions and occupational injury insurance.

Indirect expenses are actual costs incurred by an entity that are necessary to support the implementation of the project, but cannot be directly linked to the performance of specific project activities (such as rent, office supplies and general administrative support).

The number of project-relevant hours must be listed for each individual, limited to work time on the project activities set out in the contract. An individual project participant may report a maximum of 1 850 hours per year combined for all projects funded by the Research Council. It is not possible to register more than 1 850 hours for individuals employed in companies or the public sector.

3.2 Procurement of R&D services

Here you are to enter the cost of invoiced procurement of R&D services from R&D suppliers (universities/university colleges and research institutes). Invoice number is required.

3.3 Equipment

Here you are to enter the costs for equipment/infrastructure relating to the amount of its use for, and the period for which it is used in, the project. These costs may be calculated as follows:

- The project's share of the depreciation costs for equipment and research infrastructure that is necessary for the execution of the project, if this equipment or infrastructure has not been procured using funding from the Research Council or other public project funding.
- The project's share of the operating costs or "user fee" for equipment and research infrastructure that is necessary for the execution of the project.
- Procurement costs for equipment that can only be used for this project.

Smaller-scale procurements (less than NOK 100 000 in purchase costs) of equipment that can also be used outside the scope of the project are included in the indirect expenses, and should not be entered under "Equipment".

3.4 Other operating expenses

Here you are to enter all costs that are necessary for the execution of the project but that do not belong under the cost categories above.

Projects whose grant applications were submitted prior to the introduction of the revised project budgeting rules on 1 February 2015, and whose contracts include the procurement or rental of equipment as approved equipment costs, should enter those costs here.

3.5 Projects with lab funding

Previously, have projects with lab funding marked the costs as laboratory costs in the financial report and written the total amount in the comment field. As of 01.12.2020, you do not need to mark which costs are included in the laboratory support or write the total amount in the comments field.

Please note: Additional support for laboratory costs will still only be paid to the extent that the costs occur as planned and up to 50% of approved costs. The company must keep an overview of the laboratory costs and submit documentation if requested.

The Research Council will carry out random checks and you may be asked to submit documentation for the lab support.

3.6 Projects with Personal Overseas Research Grant in 2019

Projects that was awarded a personal overseas research grant and travel support in 2019 must include this funding as costs in the cost category "Other operating expenses", You are to include *one* post for the overseas grant and *one* post for the travel support, both under "Other operating expenses". The grant is already included as funding in the Financing table, under "The Research Council's funding". Please note that if inclusion of this funding as costs results in a deviation between actual costs and the budget you must include a comment. We suggest that you write "Deviation is due to inclusion of the overseas grant" in the comment section.

4 Guidelines relating to “Total costs and funding”

Under item 2. Funding you are to enter the relevant information in accordance with these guidelines.

4.1 Own financing

Here you are to enter cash financing and in-kind resources provided by the Project Owner. In-kind resources may encompass personnel, research infrastructure, materials, and other resources that are used in the implementation of the project and are included in the reported project costs.

4.2 Other public funding

Here you are to enter funding from the public sector and contributions from other public sources for the performance of the project. This may comprise direct support from government ministries, grants from Innovation Norway, regional support schemes, funding under

agricultural or fisheries agreements, etc., and contributions or cash financing from publicly funded partners (e.g. in the university and university college sector).

4.3 Other private funding

Here you are to enter cash contributions that are allocated to the project from private partners in Norway who are not performing project-related tasks. This may include financing from companies, industrial organisations, private funds, etc.

4.4 International funding

Here you are to enter project funds from international sources (such as from the EU's research programmes or cash financing from partners outside Norway).

4.5 From the Research Council

Here you are to enter the share of the costs that is to be funded by the Research Council for the relevant reporting period, as specified in the contract documents. This amount is not to exceed the total amount allocated by the Research Council of Norway. Please refer to the R&D Project Agreement Document (contract) for information about this. If the Research Council's funding by percentage is higher than expected, but below 50% of your total costs, you can **manually suggest a funding sum within the yearly rate stipulated in your contract.**