# eMS and Activity-based Financing

# PROBLEM

- Contributors that only want to finance specific work-packages

- State-aid-issues to be differentiated on work-package-level

- We are looking for a solution that
  - allows the full use of the potentially available  public financing
  - provides  transparency and control during the whole financing process

# State-aid-recommendation

[SOURCE: INTERact State Aid European Territoriel Cooperation Questions and Answers, page 9]

**It is possible to split activities and decide that some activities are State aid relevant while others are not.**(…)

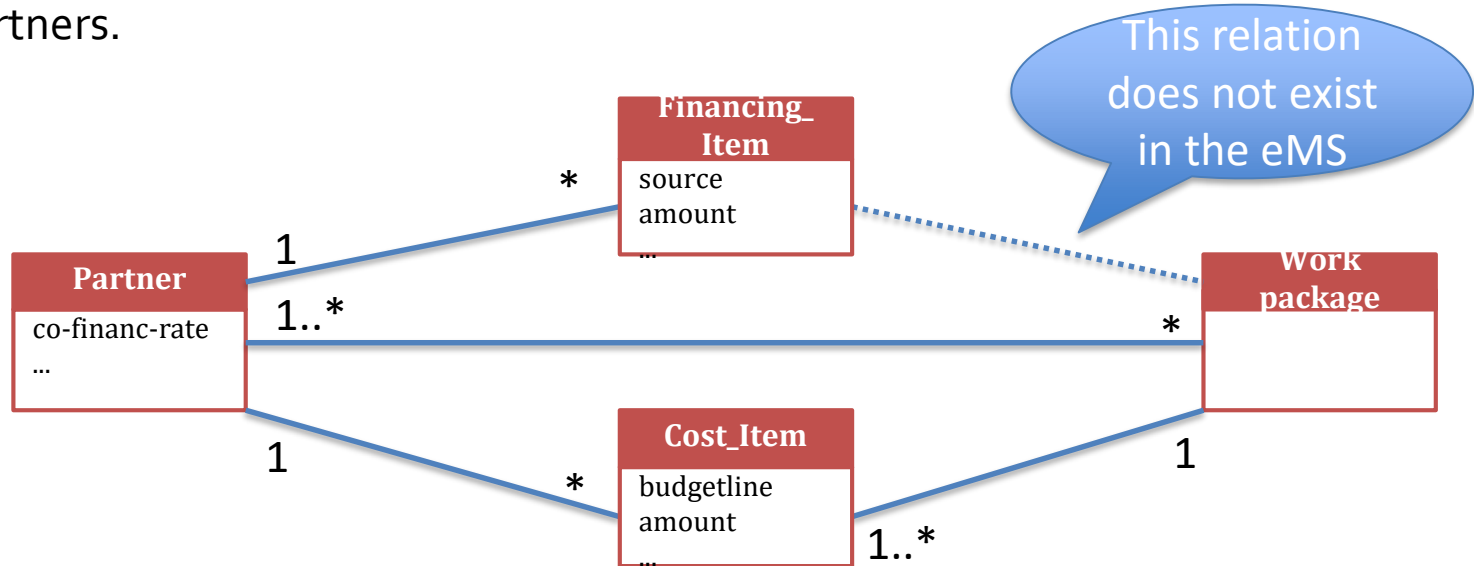(…), **possibly also leading to different co-financing rates for different project activities**

# Starting Point

- It is necessary to implement a precisely fitting financing structure to increase effectiveness, efficiency and compliance

- The problem becomes increasingly evident for programmes with a high proportion of activities in innovative research and development (=> high degree of public contribution)

  e.g. priority 1 (innovation)- projects that include both industrial and experimental  development

Currently the eMS does not provide a possibility to differentiate financing by work packages. Financing is only differentiated by partners.

This relation does not exist in the eMS

**Financing_Item**
source
amount
...

**Partner**
co-financ-rate
...

**Work package**

**Cost_Item**
budgetline
amount
...

1
*
1..*
*
1
*
1
1..*

# Possible Workarounds

1.    Create additional projects

2.    Create additional partners (with different co-financing rates)

Neither of these approaches is sufficiently user-friendly (administrative burden)

# Possible Solutions

1. Define a direct relation between Financing, Workpackage and Partner (similar to Cost, Workpackage and Partner)

   OR

2. Adding an additional property to the Workpackage-entity which indicates the maximal rate of public finance and which is validated during the (partner-)reporting
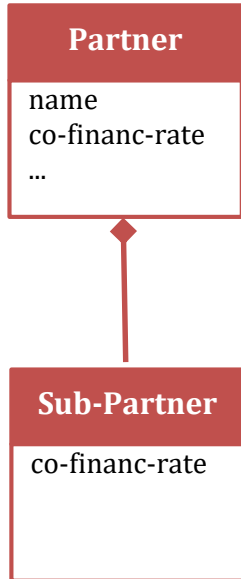
   OR

3. Creating (encapsulated) Sub-partners

# Encapsulation of Partner and Sub-Partners

- partner provides create sub-partner method
- hide master-data (sub-partner master-data is invisible)
- summarize quantitative data (e.g. costs, financing, indicators)
- user-assignment (user of partner is automatically assigned to all sub-partners)
- ...

# Relation between Partner and Sub-Partners

**Partner**

name
co-financ-rate
...

**Sub-Partner**

co-financ-rate

- one partner may have none or many sub-partners
- the only attribute of a sub-partner is the cofinancing-rate (+ a visible Identifier to assign budgets, contribution etc.)
- if a partner is deleted all related sub-partners are deleted as well

# Thank you for your attention!