

**Cost reimbursement**  
**for research and technological development projects**

**ANNEX III - SPECIAL CONDITIONS FOR THE IST PROGRAMME**  
**(Future & Emerging Technologies)**



## **Technical verification procedure in RTD, demonstration and combined projects**

### A) Objectives of the technical verification

1. The Commission shall initiate project technical verification in accordance with Article 27 of Annex II. This technical verification shall be carried out by means of reviews, which may be periodical.

This technical verification is without prejudice of meetings and progress assessment activities that are held in order to ensure the monitoring of the *project*.

2. The Commission may decide that a technical verification be carried out by a panel of independent experts, hereinafter referred to as "the experts". The experts are authorised representatives of the Commission in the meaning of Article 27 of Annex II.

3. The technical verification shall objectively establish:

- The degree of fulfilment of the *project* work plan
- The degree of achievement of the *project* objectives as described in Annex I
- The degree of fulfilment of the deliverables as described in Annex I
- Any elements which may give rise to reasonable doubts as to the reality of the resources that the *contractors* purport to have employed
- Any elements which may give rise to reasonable doubts as to the use of reasonable endeavours by the *contractors* to achieve the results aimed at by the *project*
- Any elements which may give rise to reasonable doubts as to the likelihood of the achievement of the results aimed at by the *project*, or which can reasonably be expected to result in a considerable diminution of the use potential of such results

and may recommend:

- Any course of action that may be required in order to achieve the *project* objectives and/or remedy non-performance .
4. In addition to the submission of the deliverables and periodic reports, the *contractors* have the right and the duty to provide as much relevant information as may be necessary in order to achieve the objectives set out in point 3.

The Commission may require additional information in accordance with Article 27 of Annex II. It may, *inter alia*, require the *contractors* to submit a self-evaluation report in accordance with point 3.

In requiring information from the *contractors*, the Commission may set a reasonable deadline – typically 15 working days in advance of the review session.

On the basis of the experts' formal recommendations the Commission will inform the *coordinator* of its decision:

- to acknowledge the successful completion of the *project* or,
- to allow the *project* to continue without modification or with minor modifications after approval of the deliverables or,
- to consider that the *project* can only continue with major modifications or,
- to initiate the termination of the contract or the participation of any *contractor* according to Article 7 of Annex II.

#### B) Organisation of the review for the technical verification

1. The Commission shall inform the *contractors* in writing of its intention to organise a review session normally four weeks before the date of the review session and shall communicate all necessary information, including the names of the appointed experts. The Commission shall determine a suitable time and venue for the review session, which it shall endeavour to agree with the *coordinator*. The venue for the review session will be such as to facilitate the presentation and inspection of project results, either in Brussels, in Luxembourg or on-site.
2. The *coordinator* may raise objections in regard of one or several experts within one week of the reception of the names of the appointed experts. These objections must be based on objective elements which may raise doubts as to their objectivity and impartiality, and in case of conflict of interest. The Commission shall give due consideration to these objections, and shall inform the *coordinator* of its decision within one week.
3. The review for the technical verification shall include one or more review session(s) with the participation of the experts and the *contractors* or their representatives, under the chairmanship of the Commission.
4. During the review session, the *participants* shall use utmost diligence in establishing all relevant facts. The *contractors* shall be given the opportunity to make whatever observations they consider appropriate and to run a practical demonstration.
5. The Commission shall, in any case, inform the *coordinator* by written notice of the results of each review session within four weeks. The Commission will inform the project in full of the findings of the review session, including the panel report signed and dated by the experts.

Based on the recommendations of the review session, when the *project* has not adequately demonstrated a satisfactory performance and is subject to remedial action, the *coordinator* is requested by the letter sent by the Commission to indicate in writing the observations of the *contractors* on these recommendations within a reasonable time not exceeding one month and to indicate whether they intend to continue the project.

6. The Commission shall take due consideration of the *contractor's* observations and shall decide either:
  - to immediately initiate the procedure of termination of the contract according to Article 7 of Annex II, or
  - to give one month from the date of the *coordinator's* letter to perform an internal assessment and to produce a plan on how to overcome the detected problems.
7. If on the basis of this internal assessment, the *contractors* are not able to produce convincing results and to envisage appropriate remedial action to rectify non performance, the Commission can take the decision to immediately terminate the contract in accordance with Article 7 of Annex II.
8. If the Commission decides, on the basis of the internal assessment performed by the *contractors*, that the project may continue subject to major modifications, a new review session will be organised and - subject to the positive outcome of this review session - negotiations with the project shall start without delay.
9. Without prejudice to Article 7 of Annex II, the Commission may decide to carry out subsequent review sessions at any time, particularly where remedial action has been undertaken.

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