

Commission Decision of 18 December 2012 on the adoption of the Rules to ensure consistent verification of the existence and legal status of participants, as well as their operational and financial capacities, in indirect actions supported through the form of a grant under the Seventh Framework Programme of the European Community for research, technological development and demonstration activities and under the Seventh Framework Programme of the European Atomic Energy Community for nuclear research and training activities (Text with EEA relevance) (2012/838/EU, Euratom)

Article 1	The rules to ensure consistent verification of the existence and...
Article 2	Decision C(2007) 2466 is repealed. References to the repealed Decision...
Article 3	This Decision shall enter into force on the twentieth day... Signature

ANNEX

FOREWORD

GENERAL PURPOSE

1. VERIFICATION OF THE LEGAL EXISTENCE AND LEGAL STATUS/
CATEGORY
 - 1.1. Principles
 - 1.1.1. Confidentiality and protection of data
 - 1.1.2. Legal Existence
 - 1.1.3. Legal status according to the Rules for Participation for FP7...
 - 1.1.3.1. Definitions
 - 1.1.4. Requested data and documents
 - 1.1.5. Effective date of the legal existence and the legal status/
category...
 1. The date on which the legal existence and the legal...
 2. When there is no act of constitution or incorporation,
the...
 3. The effective date of SME status shall be the account...
 - 1.2. Implementation of the verification of legal existence and legal status/
category...
 - 1.2.1. Provisions regarding cases of incomplete, contradictory or
false declarations and/or...
 1. All evidence is presumed to be truthful and provided
in...
 2. In the following cases, namely
 3. In case of refusal of validation or of refusal of...
 4. In case of irregularities and/or false declarations the
validation services...

Changes to legislation: There are currently no known outstanding effects for the Commission Decision of 18 December 2012 on the adoption of the Rules to ensure consistent verification of the existence and legal status of participants, as well as their operational and financial capacities, in indirect actions supported through the form of a grant under the Seventh Framework Programme of the European Community for research, technological development and demonstration activities and under the Seventh Framework Programme of the European Atomic Energy Community for nuclear research and training activities (Text with EEA relevance) (2012/838/EU, Euratom). (See end of Document for details)

- 1.2.2. Information on the outcome of the validation and the validated...
- 1.2.3. Declaration on the correctness of the basic data in the...
- 1.2.4. Legal Entity Appointed Representative (LEAR)
- 1.2.5. Modification of validations
 - 1.2.5.1. Modifications of validations due to an error of the initial...
 - 1.2.5.2. Modifications of validations due to a change of the legal...
 - 1.2.5.3. Changes of the indirect cost method (ICM)
 - (1) Changes of the legal status of the participant
 - (2) Changes in the accounting system of the participant:
 - (3) If a mistake regarding the ICM has been made during...
- 1.2.6. Administrative review of validations
 1. Prior to any request for review, the applicant shall ask...
 2. Requests for review of validations may be addressed in writing...
 3. The validation services shall acknowledge the receipt of the request...
- 1.2.7. The Validation Panel
2. VERIFICATION OF THE OPERATIONAL CAPACITY
 - 2.1. Principles
 - 2.2. Implementation
 - 2.2.1. At proposal stage
 - 2.2.2. At negotiation stage
3. VERIFICATION OF THE FINANCIAL CAPACITY: RULES OF IMPLEMENTATION
 - 3.1. Principles
 - 3.2. Reasons for a concise financial analysis as a general rule...
 - 3.3. Categories of legal entities subject to (or exempted from) a...
Decision tree on financial capacity verification
 - 3.4. Requested data and documents
 - 3.4.1. Legal persons
 - 3.4.2. Natural persons
 - 3.4.3. Other remarks
 - 3.5. Financial viability check
 - 3.5.1. Purpose
 - 3.5.2. Used ratios and noteworthy value
Equity flag
 - 3.5.3. Thresholds
 - 3.5.4. Particular case of natural persons
 - 3.5.4.1. Used ratios
 - 3.5.4.2. Thresholds
 - 3.6. Co-financing capacity check
 - 3.6.1. Purpose
 - 3.6.2. Used ratios and noteworthy value
Financial exposure flag:
 - 3.6.3. Thresholds
 - 3.6.4. Particular case of natural persons
 - 3.6.4.1. Used ratios

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3.6.4.2. Thresholds

4. VERIFICATION OF THE FINANCIAL CAPACITY: CONCLUSION OF THE ANALYSIS (CHECKS)..
 - 4.1. Assessment of the results of the concise analysis
 - 4.2. Actions to be taken in case of ‘weak’ result
 - 4.2.1. A more in-depth financial analysis
 - 4.2.1.1. For legal persons
 - 4.2.1.2. For natural persons
 - 4.2.2. Protection measures
 - 4.3. Additional protection measures, including sanctions

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- (1) [OJ L 391, 30.12.2006, p. 1.](#)
- (2) [OJ L 400, 30.12.2006, p. 1.](#)
- (3) [OJ L 412, 30.12.2006, p. 1.](#)
- (4) [OJ L 400, 30.12.2006, p. 60.](#)

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