

**BESTPRAC-EARMA Meeting
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The legal challenges of the COVID-19 pandemic on the administrative management and implementation of EU funded projects at ZRC SAZU

Martina Jug, Tina Mihelič

Research Centre of the Slovenian Academy of Sciences and Arts (ZRC SAZU)

ZRC SAZU

- The Research Centre of the Slovenian Academy of Sciences and Arts (ZRC SAZU) - established as an independent public research institution in 1981
- 2nd largest public research institution in Slovenia – leading research and educational center in the humanities and social sciences
- Located in the old city center of Ljubljana



ZRC SAZU

- 380 employees / 270 researchers (the research spans from linguistics to philosophy and archaeology to biology)
- 18 institutes and 4 regional research stations
- Own publishing house and bookstore (five academic journals are listed in Thomson Reuters)



ZRC SAZU

- Highly dependent on external funding - Research work is entirely supported by different national and international projects
- EU funded projects (2020):
 - Horizon 2020 – 11 projects
 - Interreg – 13 projects
 - Other programmes – 14 projects

CONTINGENCY AND WORKING CONTINUITY PLAN

- Plan in the event of the occurrence and spread of the coronavirus (suggested by the ministry)
 - Working group for coordination of activities
 - Protective measures
 - Activity plan in case of infection
 - Adapting workplaces
 - Rules for working in the office
 - Restrictions of business trips
 - Restrictions for organizing events
 - Limited operation/closure of the libraries and bookstore
- Multiple adjustments due to new/amended laws and ordinances of the government and recommendations of the National institute for public health

WORKING FROM HOME

- Mandatory Work-from-Home in the 1st phase of declared epidemic
 - Permission for working in the office
- Internal rules on work from home → annexes to the employment contracts for almost 50% of employees
- More flexibility in the 2nd phase of declared epidemic
 - Work from home is highly recommended (not mandatory)
 - In agreement with head of institute

IMPACT ON THE PROJECT'S LEVEL

European Territorial Cooperation (**Interreg**) → slow response of the national Managing Authority (Government Office for Development and European Cohesion Policy) → instructions (after almost one month)

- extended schedules for the implementation of operations
- cost eligibility and management control

IMPACT ON THE PROJECT'S LEVEL

EU programmes (H2020) → good response and full flexibility of the European Commission → notifications (in one week)

- extended call deadlines
- general instructions regarding Horizon 2020 Grant Management under COVID-19 + FAQ to European Commission
 - postponement of the starting date of the action
 - suspension of the implementation of the action
 - prolongation of the project duration
 - costs for activities which were cancelled due to COVID-19 may be charged
 - costs for actions that were not originally foreseen but were necessary to cope with the COVID-19 crisis may be charged
 - if extra costs for the implementation of the action are needed, these costs may be charged
 - redirection of work in ongoing projects to help tackling COVID-19 outbreak

FORCE MAJEURE

Force majeure clause (Article 51 of the H2020 MGA)

Force majeure means any situation or event that:

- prevents either party from fulfilling their obligations under the Agreement,
- was unforeseeable, exceptional situation and beyond the parties' control,
- was not due to error or negligence on their part (or on the part of third parties involved in the action), and
- proves to be inevitable in spite of exercising all due diligence.

FORCE MAJEURE

Force majeure clause (Article 5.4 DESCA - Horizon 2020 MCA)

No Party shall be considered to be in breach of this Consortium Agreement if it is prevented from fulfilling its obligations under the Consortium Agreement by Force Majeure.

Each Party will notify the competent Consortium Bodies of any Force Majeure without undue delay.

If the consequences of Force Majeure for the Project are not overcome within 6 weeks after such notification, the transfer of tasks - if any - shall be decided by the competent Consortium Bodies.

FORCE MAJEURE

- a provision in a contract that anticipates some extraordinary and unforeseeable event or situation that is beyond the beneficiaries control and that prevents them from fulfilling their obligations under the action
- the affected party would have to **prove that the performance of its obligation was prevented by the pandemic** and that there exists a **causal connection between party's non-performance and the pandemic**
- beneficiaries must keep supporting documentation to prove the impact of *force majeure*
- no breach of obligations under the GA

PUBLIC PROCUREMENT

- »Anti-corona« provisions for procurement of supplies, services and works
 - increased thresholds for the application of the Public procurement act (from 20.000 to 40.000 EUR) until 31. 12. 2021
 - contractual penalties for delay were not applied during the time of declared epidemic
 - contractually agreed delivery deadlines were extended for the time of the declared epidemic
 - shortened payment deadlines for payments to private entities (from 30 to 8 days)
- The extension of the ongoing procurement contracts might require an extension of the GA

IMPACT ON THE PROJECT'S LEVEL

ZRC SAZU experience (with ongoing Interreg projects) - Coordinator of 5 ongoing Interreg projects

- delays in action implementation – so far no extension granted
- submission of timesheets/reports - possibility to provide unsigned documentation
- after the revoke of the restrictions, all timesheets/reports were printed and resent to National Control in the paper form with original signatures (double work)

IMPACT ON THE PROJECT'S LEVEL

ZRC SAZU experience (with ongoing Horizon2020 projects)

- delays in action implementation
- no delays in submitting the reports
- some difficulties in obtaining the monthly signature of timesheets (use of scans and e-signatures)
- one GA signed with no postponement
- several applications submitted (one ZRC SAZU as LP)
 - Letters of Intent (24 Associate Partners – e-signatures?)



Thank you for your attention!

martina.jug@zrc-sazu.si
tinka.mihelic@zrc-sazu.si