



Capacity for Rail

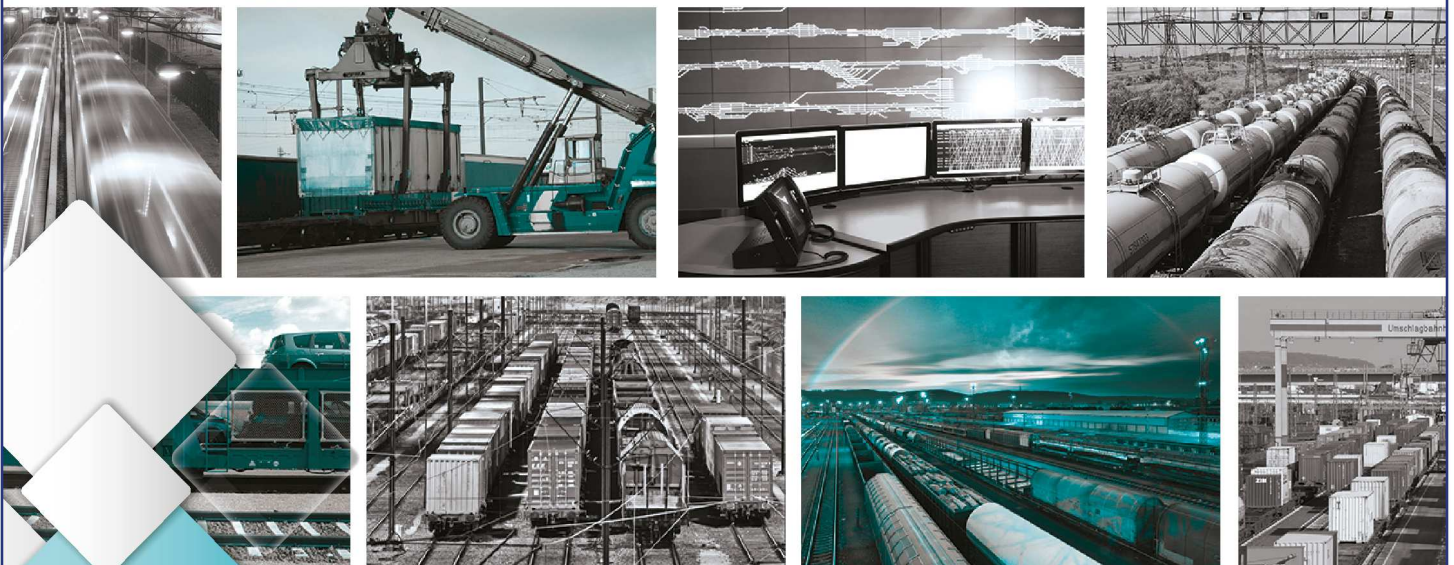
***Towards an affordable, resilient, innovative
and high-capacity European Railway
System for 2030/2050***

Project Management Plan, Risk
Register and Quality Plan

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Deliverable 62.1

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Increased Capacity 4 Rail networks through
enhanced infrastructure and optimised operations
FP7-SST-2013-RTD-1

Lead contractor for this deliverable:

- ARTTIC

Project coordinator

- UIC

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ABBREVIATIONS AND ACRONYMS

Abbreviation / Accronym	Description
CA	Consortium Agreement
CPF	Contract Preparation Forms
DoW	Description of Work
EC	European Commission
EB	Executive Board
GA	General Assembly
RTD	Research, Technology and Development
SP	sub-project
S/T	Scientific and Technical
WP	Work Package

Definitions of terms used in this report

Term	Definition	Notes
Access charges	Access charges include all costs the train operators have to pay for the infrastructure.	Depending on the country the access charge may contain additional components, for example additions for high loads or noise pollution
Equivalent fatality	Combined measurement of minor injuries, serious injuries and fatalities	In the UK, for example, 10 major injuries are considered to be statistically equivalent to one fatality
Infrastructure investment or LCC	Infrastructure investment means all costs incurred in installation of the asset. In contrast, life cycle cost includes, as well as the investment, all costs which are related to the asset during its technical lifetime.	LCC takes into account the time of payments and a discount rate that depends on the investor.
Operation costs	All costs related to the operation of the railway system. This includes especially energy and personal costs for train operation.	
Railway infrastructure	All assets necessary for railway operation including loading, unloading facilities or marshalling yards.	Not all assets will be addressed in the project. The project will focus, depending on the final roadmap, on some parts/assets of the railway infrastructure.

1 EXECUTIVE SUMMARY

Management of an integrated project must take into account the requirements that are inherent to inter-organisational collaboration. These include sharing of knowledge, organisation and management of work in a result-driven way, decision-making by consensus in governance bodies and effectiveness in the exchanges among partners.

This document presents guidelines and procedures for the persons in charge of the management tasks in CAPACITY4RAIL and is divided in two sections, presenting:

- the project organisation and the decision-making bodies.
- the management procedures to be applied.

This document should be considered as a complement to other official documents including the EC contract and its annexes, the Consortium Agreement and the various EC guidelines.

Research and innovation-related tasks are organised in 5 sub-projects (SPs) corresponding to the main research domains, each with its own set of Work Packages (WPs). The management at the global (Integrated Project) level ensures governance and coordination of the whole project and its relations with the EC. The corresponding management tasks are grouped in SP6.

CAPACITY4RAIL is coordinated by UIC and supported by a project office managed by ARTTIC.

CAPACITY4RAIL management is structured in two levels: Strategic, with the General Assembly and SP Assemblies and Technical/Executive with the Executive Board composed of representatives of the 9 core strategic Parties, including the sub-project leaders (UIC, SYSTRA, TRV, NR and DB), UNIFE and elected representatives.

Specific rules for this decision making bodies are stipulated in sections 3.2.1 and 3.2.2 respectively.

The Project Coordinator UIC is acting as the unique interface between the project and the EC. The Coordinator is the focal point for all technical and administrative content of the project. They have appointed a Project Manager, **Laurent Schmitt**, who will represent the Coordinator and is in charge of the overall contractual and scientific supervision of the project.

Each sub-project is led by one partner, the SP leader, who chairs the SP Assembly. The SP Assemblies consist of all partners involved in the sub-projects. They are responsible for the execution of the overall technical objectives and work program for each subproject and reports to the CAPACITY4RAIL Coordinator and Executive Board.

The SP leader appoints WP leaders, responsible for the coordination of the work carried out within that work package and the achievement of the objectives. The WP leaders report to the SP Coordination Boards and are responsible for the production of their deliverables.

The Project Management Office (or the Project Office) is staffed by a Management Team, reporting directly to the Project Coordinator.

The project will use electronic means to facilitate communication, including a collaborative website administered by UIC, and mailing lists for the different intervening groups (see section 4.2).

Concerning publications, a contractor cannot publish Knowledge or Pre Existing Know-how generated by another contractor without that partner's written approval. A 45-day prior written notice to all the contractors and the Commission is needed for any planned publication (see 5.1 for details).

A list of project meetings is available and maintained on the internal web site. Rules and recommendations for meetings are given in section 6.

Each document has a single "Owner", regardless of how many contributors it has. The owner leads the production of the document, makes proposals for content and required contributions and consolidates drafts. Templates for CAPACITY4RAIL documents are available on the Intranet. Each document is filed with a unique filing code, detailed in section 8.3. A project archive administered by the Project Office stores copies of final deliverables, periodic reports and minutes.

The deliverable reviewing and validation process is presented in section 7.1.5. All important deliverables will be peer-reviewed to verify the technical, scientific and formal quality before submission to the EC. The Executive Board will examine regularly, at each of its meetings, the requested reviewing level for each of the deliverable planned in the next 6 months. The Project Office will provide a tool for planning and follow-up of deliverables.

Annual reports and reviews are required by the Commission. The Project Manager and the SP leaders with the support of the Project Office will coordinate the preparation of these reports. A list of required reports is given in section 9. The reports are due 45 days after the end of the reporting period.

Annual EC reviews are organised by the Commission with external reviewers. After the review, the reviewers will provide their evaluation in a review report issuing recommendations.

As the EC contractual reporting covers up to 18 months, internal reporting is necessary to monitor project progress and detect problems and risks at earlier stages. In months 9, 18, 24, 36, 42, and 48, all partners fill out a one-page questionnaire, covering the previous period. In months 9, 24 and 42, all partners provide a mid-term report including a description of activities and results, status of deliverables and milestones, and an estimation of the resource consumption (budget and efforts).

The financial management includes procedures for financial statements, payment handling and project accounting. The financial provisions for CAPACITY4RAIL project are described in Annex 2 (Part B) to the CAPACITY4RAIL contract and further detailed in the EC document "Guide to Financial Issues relating to Indirect Actions of the Seventh Framework Programmes".

Financial Statements (form C) completed by each contractor are submitted to the Commission by the Coordinator together with the management report within 45 calendar

days after the end of each 12 months reporting period. Financial Statements must be accompanied by an audit certificate from an independent auditor (or for public bodies from a competent public officer) if the cumulated requested Community financial contribution is equal to or exceeds 375 000 EUR. The Project Office will be responsible for collecting, formally checking and compiling the partners' Financial Statements. A procedure for the preparation of Financial Statements is provided in section 10.1.

The first Pre-financing paid by the EC consists of 75 % of the requested EC contribution for the first 18 months. For the subsequent periods, payments consist of the balance between the validated Financial Statements of the previous reporting period and the pre-financing for the last 18 months-period plus the pre-financing for the next 18 months period. As stated in the EC contract and following the rules set out in the Consortium Agreement, the Coordinator must distribute the EC financial contribution to the contractors without unjustified delay. For Contractors not providing deliverables on time or providing non-compliant deliverables, the contribution allocation can be retained until the situation is remedied.

All payments of the EC financial contribution are made to the Coordinator with the Project Office monitoring the payment process.

The nature of collaborative projects like CAPACITY4RAIL makes the partner's work highly interdependent.

All partners therefore need to agree on mechanisms to identify and assess possible and potential risks. A risk management procedure has been established and is detailed in section 11.

The good implementation of procedures and guidelines described here, together with a good knowledge about the EC contract and its annexes, the Consortium Agreement and the various EC guidelines, will facilitate the collaboration between partners and ensure a high quality of project deliverables and reporting toward the EC.

2 INTRODUCTION

This Deliverable has been revised and updated to take into account the comments of the reviewers following the first annual review held on 18 June 2015. A number of first reporting period Deliverables have either been submitted with delays or have been submitted in draft. The risk management plan (section 11) has been further detailed to avoid such delays in the future.

Management of an integrated project must take account for requirements that are inherent to inter-organisational collaboration:

- The CAPACITY4RAIL partners are collaborating to achieve a common objective, share experience and know-how and develop results with complementary skills.
- Work must be organised and planned in a result-driven way. Whilst the internal organisation is the matter of each partner (as long as commitments are met), the interactions between partners working at distance must be efficiently planned for and followed-up based on the flow of results. Common planning must hence be a reference for everybody and must always be up-to-date.
- Collaboration between participants is based on consensus in the different decision-making bodies (strategic, technical, financial and administrative). Therefore, organisational structure and rules for making decisions need to be clearly defined.
- The effectiveness of meetings between the Partners is absolutely critical to the progress of work. An inconclusive meeting can cause serious delays, risks and costs.

This document presents some guidelines and procedures which aim at aiding in the various management tasks in the CAPACITY4RAIL project.

The document is divided into two sections:

- The first section describes the project organisation and the different decision-making bodies in CAPACITY4RAIL.
- The second section describes the management procedures to be applied in CAPACITY4RAIL, including rules for document management, internal and external communication, production of deliverables, meetings, financial management, reporting and risk management.

Please note that the content in this document should be considered as a complement to other official documents that define management responsibilities: the EC contract and its annexes, the Consortium

Agreement and the various EC guidelines. A list of such key documents is available on the CAPACITY4RAIL Intranet in the folder “Coordination & Management” in the subfolders “Project Management” and “European Commission”.

The terms and provisions of the EC contract (and its annexes) and the CAPACITY4RAIL Consortium Agreement will prevail in the event of any inconsistency with recommendations and guidelines defined in the present document.

3 PROJECT ORGANIZATION AND DECISION-MAKING BODIES

The main research and innovation-related tasks are organised in 5 sub-projects (SP1 to SP5) corresponding to the main research domains. Each of these sub-projects has its own set of Work Packages (WPs).

The management at the global (Integrated Project) level ensures governance and coordination of the whole project and its relations with the EC. The corresponding management tasks are grouped in a dedicated sub-project (SP6) and have the following specific objectives:

- Ensure timely and qualitative achievement of project results taking adequate corrective actions where necessary
- Provide decision making, quality control and conflict resolution mechanisms to support project implementation and evolution
- Support implementation of changes, in activities and consortium, including new entrants if and when needed
- Provide timely and efficient, contractual, financial and administrative support of the project and amendments where necessary
- Coordinate, at a consortium level ,knowledge management and other innovation-related activities
- Support preparation of exploitation and dissemination of results

3.1 ORGANISATIONAL STRUCTURE

CAPACITY4RAIL has set up a management structure that distinguishes between decision making, operational management, and advice.

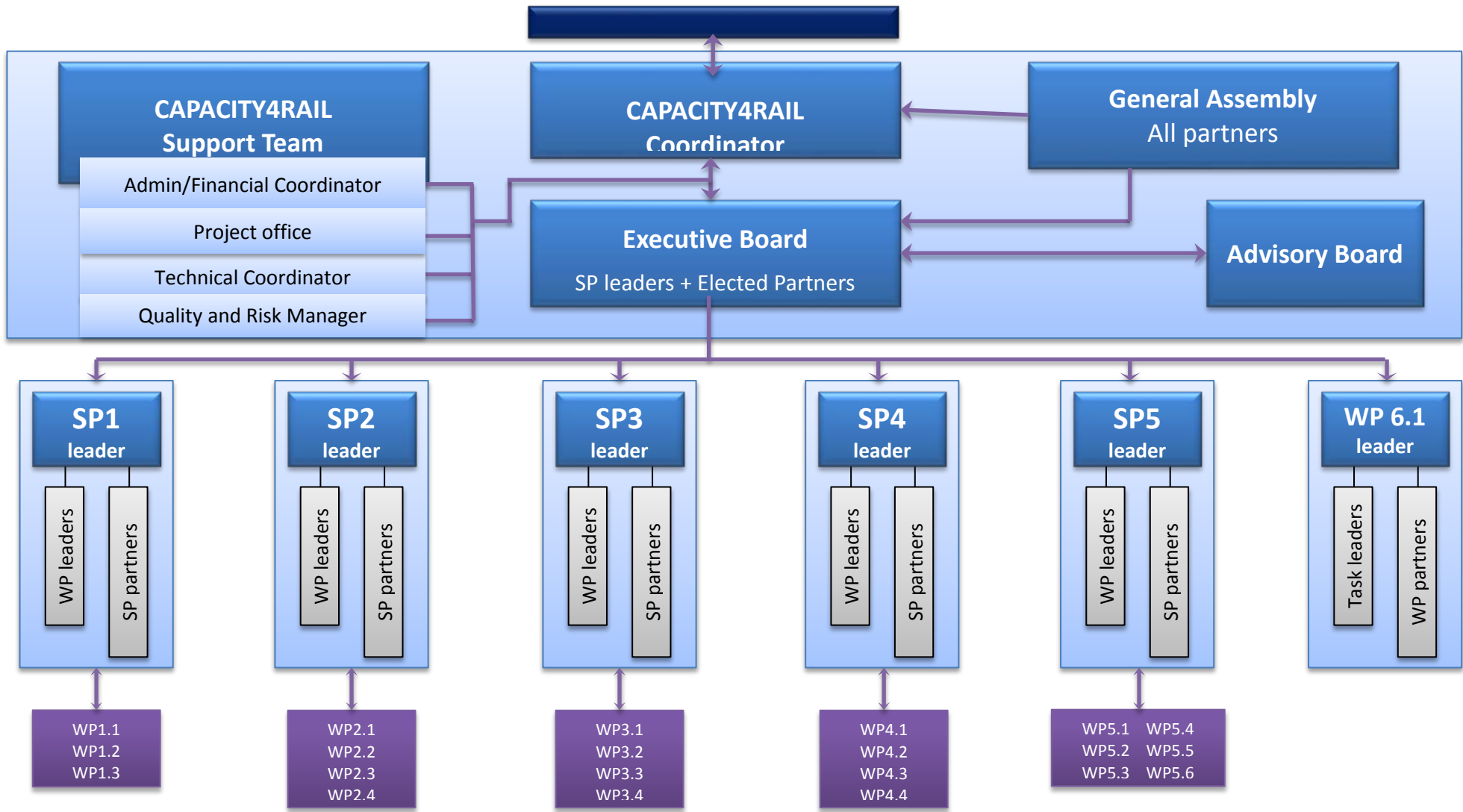


FIGURE 1 : MANAGEMENT STRUCTURE OF THE C4R PROJECT

CAPACITY4RAIL is coordinated by UIC who is supported, in the day-to-day management tasks, by a project office and support team.

For efficiency, CAPACITY4RAIL management is structured in two levels: Strategic (Decision making) and Technical (Technical workflows):

The Executive Board, composed of the leaders of the sub-projects, elected members and the Project Manager, has the responsibility for technical management. It is supported by the Project Office.

Rôle	Names of assigned representatives	Contractor shortname
Project coordinator	The coordinating organisation is UIC, represented by Jean-Pierre Loubinoux. However, the person representing the Coordinator for the project management is Laurent Schmitt.	UIC
Project Manager, representing the Project Coordinator	Laurent Schmitt	UIC
Technical coordinator	Fabien LETOURNEAUX	UIC
Quality and risk management	Fabien LETOURNEAUX and Herman Bertrand	UIC and ARTTIC
Project office	Aline WEGO, Paul CROMPTON, Herman BERTRAND	UIC ARTTIC ARTTIC
SP1 leader	Pierre-Etienne GAUTIER	Systra
SP2 leader	Tomas ARVIDSSON	Trafikverket
SP3 leader	Meena DASIGI	Network Rail
SP4 leader	Gunnar BAUMANN	DB
SP5 leader	Burchard RIPKE	DB
SP6 leader	Laurent SCHMITT	UIC

3.2 GOVERNANCE STRUCTURE AND DECISION MAKING BODIES

The organisational structure of the Consortium shall comprise the following Consortium Bodies:

3.2.1 GENERAL ASSEMBLY

The General Assembly (GA) is the highest decision and strategy making body of CAPACITY4RAIL. For day to day strategic management the GA cedes responsibility to the executive board. The GA will take decisions when agreement cannot be found by the Executive Board.

The GA is composed of one representative for each Party involved in the project and chaired by the Coordinator.

The GA shall meet during the kick-off meeting, and at least once within each reporting period or additionally upon request of the Executive Board or 1/3 of the members of the General Assembly.

The Coordinator shall chair all meetings of the General Assembly, unless decided otherwise in a meeting of the General Assembly.

The following decisions shall be taken by the General Assembly:

- Proposals for changes to Annex I of the EC-GA to be agreed by the European Commission
- Changes to the Consortium Plan (including the Consortium Budget)
- Proposal to the European Commission for a change of the Coordinator
- Proposal to the European Commission for suspension of all or part of the Project
- Proposal to the European Commission for termination of the Project and the Consortium Agreement
- On the basis of Annex I, the appointment if necessary of new Executive Board Members

The GA votes will take place, when possible, at the regular scheduled project meetings, or special meetings if necessary. In case of emergency or short delays e-mail votes will be used, sent to the project coordinator, and controlled by the Executive Board.

3.2.2 SP ASSEMBLY

In order to increase the efficiency of the decision making process, and to avoid debates with partners who are not involved, some decisions may be made by a special SP Assembly.

The composition of the SP Assembly will be determined depending on the questions to be treated and will bring together all the members of the concerned SPs.

All the consortium members will be informed about decisions taken by any SP Assembly for possible appeal.

The decisions listed below can be taken by the partners involved in a specific sub project. The same voting rules and regulations as the General Assembly will apply.

- a) Entry of a new Party to the Consortium and approval of the settlement on the conditions of the accession of such a new Party, within a specific SP
- b) Withdrawal of a Party from the Consortium and the approval of the settlement on the conditions of the withdrawal, within a specific SP
- c) Declaration of a Party to be a Defaulting Party. The Defaulting Party has the right to explain the situation to the Executive Board and to the SP assembly before any decision is taken.
- d) Termination of a Defaulting Party's participation in the Consortium and measures relating thereto.

3.2.3 EXECUTIVE BOARD

The CAPACITY4RAIL Executive Board (EB) is composed of the representatives of the 9 core strategic Parties, including the sub-project leaders (UIC, SYSTRA, TRV, NR, DB), UNIFE and 3 representatives elected for the each reporting period (October 1st 2013 to 31st March 2015 ; 1st April 2015 to 30th September 2016 and 1st October 2016 to 30th September 2017).

In addition, a representative of the Project Management Office (UIC or ARTTIC) shall also participate in the Executive Board meetings without voting rights.

The Executive Board shall prepare the meetings, propose consultations and prepare the agenda of the General Assembly. It shall seek a consensus among the Parties.

The Executive Board monitors the effective and efficient implementation of the Project.

In addition, the Executive Board collects information at least every 6 months on the progress of the Project, examine that information to assess the compliance of the Project with the Consortium Plan and, if necessary, implement modifications of the Consortium Plan according to the suggestions made by the General Assembly.

The Executive Board shall be responsible for:

- Communication with the European Commission and for Public Communication:
- Support the Coordinator in preparing meetings with the European Commission and in preparing related data and deliverables
- Prepare the content and timing of press releases and joint publications by the Consortium or proposed by the European Commission in respect of the procedures of the EC-GA Article II 30.3.

3.2.4 THE COORDINATOR AND PROJECT DIRECTOR

The Project Coordinator is responsible for all aspects of the interface between the project and the EC.

The Coordinator is the focal point for all technical and administrative content of the project.

The Project Coordinator has appointed a Project Manager (**Laurent Schmitt**, Infrastructure Senior Advisor) who is appointed by UIC to manage CAPACITY4RAIL at project start), who represents the Coordinator and is in charge of the overall contractual and scientific supervision of the project.

3.3 OPERATIONAL BODIES

3.3.1 SCIENTIFIC AND TECHNICAL (S/T) COORDINATOR

The Scientific and Technical (S/T) Coordinator is appointed by the General Assembly and assures the overall scientific and technical coordination of the project.

The S/T Coordinator's responsibilities shall be:

- Constant monitoring of the general scientific and industrial evolution outside of the Consortium at European and international level as compared to the objectives and targets
- Monitoring of progress on research carried out in CAPACITY4RAIL, of the work being carried out in the WPs, the results and the necessary changes to the project definition and work plan as a result of those findings, according to project milestones
- Maintaining and following-up the work plan, progress monitoring, identifying and handling trouble shooting of technical or organisational problems, co-ordinating S/T meetings
- Preparing the required reports and (if and as required) proposals for changes in the project strategy for implementation for adoption by the decision making bodies
- Evaluating the S/T content of deliverables and publications produced by the project, including assessing of progress reports, new work plan and deliverables
- Establishing relationship with other projects in the same or related RTD (Research, Technology and Development) fields.

3.3.2 THE PROJECT MANAGEMENT OFFICE

The project management office is composed by the UIC EF Unit and ARTTIC.

The Project Management Office or Project Office is responsible for reporting directly to the Project Coordinator. The Project Office is assigned to handle daily management work and project logistics.

They have access to on-demand experts who can support more specific activities: web-master, information dissemination specialists, etc. Due to the dimension and complexity of CAPACITY4RAIL, the Project Office is led by ARTTIC, a firm specialised in management of collaborative projects.

The Project Management office shall be in charge of providing assistance to the Coordinator and the Executive Board as specified in Annex 1 to the Grant Agreement with regard to the Coordinator's day-to-day tasks.

In particular, the Project Management Office shall be responsible for, in close cooperation with the Coordinator:

- Submitting reports and other deliverables to the Commission;
- The administration, preparation of minutes and follow-up of decisions of the CAPACITY4RAIL Executive Board, SP Assemblies and General Assembly
- The transmission of any documents and information connected with the project to and between the Parties concerned;
- Keeping related records identifying what portion of the payments made by the Commission has been allocated and/or paid to each Party by the Coordinator.

3.3.3 SUB-PROJECT COORDINATION BOARD

Each Sub-Project is led by a partner, the SP leader, who also chairs the SP Coordination Board. The SP Coordination Boards consists of all partners involved in the sub-project. The SP Coordination Boards are responsible for the coordination of overall technical objectives and work programs for the Sub-projects. It reports to the CAPACITY4RAIL Project Manager and the Technical Coordination Group via the SP leader.

The SP Coordination Boards meets as often as required to ensure a satisfactory progress of the subprojects.

In addition, E-mail, telephone, web-based collaborative tools, tele-conferencing etc. are used intensively for communication and management.

3.3.4 WORK PACKAGE LEADERS

Each Sub-Project is managed by a partner, the SP-leader. The SP-leader in turn appoints WP leaders to manage the Work Packages within the Sub-Project. WP leaders are responsible for the coordination of the work within the work package and that the objectives of the WP are reached. The WP leaders report to the SP Coordination Boards. The WP leaders are also responsible for coordinating the production of deliverables in the WP and for providing sufficient reporting to ensure an efficient overall project monitoring and coordination.

3.3.5 ADVISORY BOARD

An Advisory Board will be appointed and steered by the Executive Board.

The Advisory Board is a consultative body and will not be allowed to vote in any Consortium Bodies. The Advisory Board assists and facilitates the decisions made by the Executive Board.

The members of the Advisory Board are required to sign a non-disclosure agreement no later than 30 days after their nomination or before any confidential information will be exchanged, whichever date is earlier.

The Coordinator writes the minutes of the Advisory Board meetings and prepare the implementation of the Advisory Board's suggestions. The Advisory Board members shall be allowed to participate in General Assembly.

4 INTERNAL COMMUNICATION

CAPACITY4RAIL extensively uses electronic means to facilitate communication and exchange of information between CAPACITY4RAIL project partners.

4.1 EXTRANET

A password-protected internal website dedicated to the project has been set up and is accessible from CAPACITY4RAIL official website (www.capacity4rail.eu)

It is used as:

- Virtual work space supporting information exchange and collaborative work on documents, such as project reports and deliverables;
- Project archive for all information important or relevant for the project and documents produced by the project;
- Organisation tool for communication and meetings: announcement of meetings, agendas, contact lists

The Intranet is maintained and administrated by UIC.

Procedures and guidelines for the registration and use of the C4R Extranet are described in the deliverable 6.1.1 *“Setup of a private and public website”*.

The administration rights of this internal site are defined in the same 6.1.1. deliverable.

4.2 E-MAILS / MAILING LISTS

To facilitate use of e-mails and avoid unnecessary proliferation of e-mails, the following rules shall be observed:

- The subject of all e-mails should have a specific codification (for further details, see section 4.4 *“Document management”*) and should follow the following convention *“C4R-AAA-Subject”*, as explained below:
- Start the subject of all e-mails by the abbreviation *“C4R”* for CAPACITY4RAIL
- In AAA write the origin of the email which can be:
 - A work-package denomination such as WP1, WP2, WP1.1, etc.
 - A relevant body denomination such as EB for Executive Board, EC for European Commission, GA for General Assembly,
 - ADM for purely administrative information and OTH for other
- Subject: a short description of the subject of the e-mail
- Keep partners well informed about matters that are relevant for them; Use the dedicated mailing lists whenever possible;
- Avoid unnecessary *“broadcasting”*, i.e. send messages to the *capacity-partners@eurtd.com* mailing list only for important information of relevance to all partners;

- If reception of the e-mail needs to be acknowledged, this must be specifically requested in the email.

To facilitate communication between the CAPACITY4RAIL partners, the following mailing lists have been created:

- capacity-partners@eurtd.com : all partners
- capacity-xboard@eurtd.com : Executive Board
- capacity-mgt@eurtd.com : Project Management team
- capacity-arttic@eurtd.com : Project office
- capacity-pub@eurtd.com : Publication team

These lists should be used by all instead of self-managed lists in the users email application to make sure all concerned partners receive the emails.

The lists are regularly updated by the Project Office. The Project Office will also maintain an up-to-date overview on the mailing list content (i.e. the list of members) and a short description on their usage on the CAPACITY4RAIL intranet in the folder "*Documents/coordination and management/project management*".

The partners have the responsibility to inform the Project Office rapidly in case of any change of email address, persons that should be added or removed, etc. to make sure the mailing lists are always up-to- date.

4.3 TELECONFERENCING

Teleconferencing is a powerful tool for organising short meetings, in particular:

- To explain a document (distributed prior to the teleconference);
- To briefly discuss a specific technical or management issue;
- To take decisions on issues requiring urgent action.

The following principles should be respected for a successful teleconference meeting:

- The meeting should be limited to a small number of participants;
- the date, time, expected duration, agenda and name of participants should be communicated
- in advance (typically at least 1 week before);
- all required documents must be distributed before the meeting (at least the time required for reading those documents + a couple of days);
- teleconferences should be limited in time to ensure the participants full attention;
- as for a face-to-face meeting, minutes summarising the decisions and actions should be issued after the teleconference and posted on the internal website.

Note: Telephone conferences with up to 3 partners are possible from many telephones without further equipment. For larger telephone conferences with more than 3 partners you will probably have to book a teleconference number, e.g. with a national phone company.

The Project Office offers as a service to organise telephone conference meetings on CAPACITY4RAIL matters (find a date, book a teleconference number etc.) as well as associated tools such as WebEx for, e.g., online-sharing of Power Point presentations.

Videoconferencing: is more and more used to complement teleconferencing and increase the efficiency of remote collaboration. CAPACITY4RAIL partners should try to use videoconferencing when needed. The Project Office can provide WebEx sessions and support upon request.

4.4 OTHER RECOMMENDED GOOD COOPERATION PRACTICES

4.4.1 ABSENCE NOTIFICATION

All SP and WP leader should notify the Project Office of any planned absences lasting longer than 5 working days; and should provide details of a contact person in case any urgent matters arise.

4.4.2 CONSORTIUM DETAILS ON THE CAPACITY4RAIL INTRANET

The CAPACITY4RAIL Intranet contains contact details of all persons involved in the project. It is the responsibility of every person involved in CAPACITY4RAIL to assure that the contact details are up-to-date.

This is done by editing the information directly on the Internal website (select Options and Edit my profile).

5 EXTERNAL COMMUNICATION

5.1 PUBLICATIONS, DISSEMINATION OF FOREGROUND

A contractor cannot publish Knowledge or Pre Existing Know-how generated by another contractor without that partner's written approval.

The foreground is the new knowledge and results generated in the project. Before disseminating own foreground related to the CAPACITY4RAIL project outside the consortium, e.g. through a publication or a conference talk, a partner needs to ensure that no other partner objects to the publication of this foreground.

Rules for the publication of foreground are detailed in the Consortium Agreement (CA).

Before disseminating foreground, the partners should respect the following rules:

- A copy of any proposed publication in connection with or relating to the Project shall be sent to the Coordinator and the Project Office and by the Coordinator to the partners at the earliest time possible. Any of the partners may object to the publication within 30 days after receipt of a copy of the proposed publication on the grounds mentioned in the CA. The proposed publication shall not take place until the expiry of the above period of 30 days.
- In the event that an objection is raised within the above period of 30 days, the Party proposing the publication and the partner objecting shall seek in good faith to agree a solution on a timely basis whereby such objection is resolved.
- In the case of the conflict not being resolved in 30 days, the final decision shall be jointly voted by the Executive Board and the restricted Assembly of the concerned SP(s) partners at a majority, within the following 15 days.

The following process should be applied:

- 1- The partner wishing to publish inform the Project Coordinator, the Dissemination leader and the Project Office (capacity-pub@eurtd.com) as early as possible and at least 45 days before the planned publication.
- 2- The Project Office assists the partner to prepare and send an e-mail to the consortium (capacity-partners@eurtd.com), which will include a summary of the intended dissemination
- 3- Any partner having an objection should send within 30 days, an e-mail to the publishing partner and copy to capacity-pub@eurtd.com, explaining how the intended publication is contrary to his/her interests and indicating some suggested modifications or a request for the cancellation of the publication.
- 4- The publishing partner and the objecting one(s) shall seek in good faith to agree a solution on a timely basis whereby such objection is resolved.
- 5- In case of the conflict not being resolved in 30 days, the final decision will be jointly voted by the Executive Board and the restricted Assembly of the concerned partners within the following 15 days.

- 6- When the publication is approved, the final version of the publication is sent by the publishing partner to capacity-pub@eurtd.com
- 7- The publishing partner fills in the “dissemination report” (see deliverable D612 “*Set up of a dissemination platform*”) to the Dissemination WP leader (dekeyzer@uic.org)
- 8- The Dissemination WP leader makes the publication available in the dedicated folder of the CAPACITY4RAIL internal website. The partner submitting the publication should then send a link to the posted publication to the consortium.

In all external communication, the EC funding should be acknowledged in the following way:

“The research leading to these results has received funding from the European Community's Seventh Framework Programme [FP7/2007-2013] under Grant Agreement n°605650.”

Furthermore, the contribution made by each of the partners must be indicated.

5.2 COMMUNICATION WITH THE EC

The Project Coordinator is the official interface to the EC. All formal exchanges of information with the EC should therefore be handled through the Project Coordinator or when officially delegated, through the Project Office.

6 MEETINGS

Project meetings should be notified in the calendar the internal web site.

Two types of meetings are to be considered:

- Regular meetings of the two decision-making bodies: the EB (will meet at least thrice per year) and the General Assembly (will meet at least once during each reporting period). The programming and associated documents of these meetings are available on the internal website in the section Executive Board and General Assembly.
- Meetings on WP level or transversal meetings on scientific and non-scientific topics will be organised as appropriate.

6.1 GOOD PRACTICES

- **Participants:** In order to be as efficient as possible, small meetings should be preferred to large ones. It is therefore advised not to invite people who are not directly concerned with the subject of the meeting.
- **Planning and logistics:** Participants should be informed of the meeting date sufficiently in advance (exact timelines, according to different Consortium Bodies, are given in the Consortium Agreement). If possible, meetings with different purposes

should be combined to save both travel time and money. Detailed information on transport and accommodation should be provided.

- **Preparation:** The objectives and agenda of the meeting should be distributed sufficiently in advance (exact timelines, according to different Consortium Bodies, are given in the Consortium Agreement) so that possible comments can be made within a given timeline (see CA). If specific contributions are to be made by participants, they should be informed at the same time. Support material should be distributed sufficiently in advance so that participants have the time to read and comment on it.
- **Running of the meeting:** For each meeting, it should be clear who is chairing and who is taking the minutes and preparing the action list. The coordinator chairs all GA meetings. The chairperson of the EB-meetings is appointed by the EB members prior to the meetings.
- **Meeting follow-up:** Minutes should be sent at the latest 15 calendar days after the meeting. An action list should be established with responsible partners and deadlines. All meeting documents should be posted on the internal website.

6.2 AGENDA

Each meeting must have an agenda. The agenda should be distributed in advance (typically two weeks), to inform the participants about the topics to be discussed and to give them the possibility to suggest changes to the agenda which must then be re-circulated. Any suggestions for changes should be sent at least 7 days before the meeting.

The agenda lists the subjects which will be discussed. It is an instrument to assist the Facilitator in monitoring the meeting. Secretarial work is also minimised by a well-structured agenda.

A template for the agenda is available on the internal website in the section :

03-Common_Documents\01-Templates.

6.3 RUNNING OF MEETINGS

- For each meeting it should be clear who will facilitate the meeting and who will take care of the meeting minutes and action list.
- Should the facilitator need to become strongly involved in the discussion, this task could be delegated to another meeting participant. The facilitator may propose consensus solutions to solve problems raised during the meeting.

6.4 FOLLOW-UP OF MEETINGS

The person convening the meeting shall ensure that meeting minutes are taken. Draft minutes should be made available within 15 calendar days after a meeting, and will be

subject to approval by all partners concerned. In the absence of comments within the defined deadline the minutes are deemed to be approved.

For each meeting it should be clear who will facilitate the meeting and who will take care of the meeting minutes and action list. Should the facilitator need to become strongly involved in the discussion, this task could be delegated to another meeting participant. The facilitator may propose consensus solutions to solve problems raised during the meeting.

Minutes should be posted on the web site as soon as validated by the meeting participants and commitment on decisions and actions checked with absent partners. All important meeting documents should be posted on the private web site.

The minutes will reflect major issues that have been discussed, conclusions (decisions) and actions agreed. All minutes of periodic meetings should have the same structure and contain the following information:

- Meeting date,
- Location,
- Author,
- Participants (indicating absentees),
- Objective(s) of the meeting (brief),
- Agenda,
- List of documents distributed during the meeting with reference to the author,
- And for each point addressed as part of the agenda:
 - Summary of discussion (if relevant),
 - Decision,
 - Open issues,
 - Action,
 - Supporting information (if relevant).
- Summary of the actions (action list).
- Place and date of the next meeting (if appropriate).

A template for the minutes of meetings is available on the internal website in the section :

03-Common_Documents \ 01-Templates.

7 PRODUCTION OF DELIVERABLES

A deliverable is a significant result of the project which most often is presented in the form of a report. Deliverables are the evidence of work and therefore also linked to the release of the payment.

Therefore, even if a deliverable is not in the form of a report, the consortium should provide some kind of written proof to the EC that it has been delivered. The CAPACITY4RAIL consortium is contractually bound to submit to the EC the deliverables listed in section A WT2 “List of Deliverables” of the DoW within the specific time frame. They are also available

at the CAPACITY4RAIL internal website in the section Deliverables. Each deliverable has a reference number, title and leader which are indicated in the DoW.

The deliverable process is divided into two main parts:

- The preparation of the first version: under the responsibility of the SP leaders
- The peer review: under the responsibility of the S&T coordinator

7.1.1 STRUCTURE OF DELIVERABLES

A deliverable can be divided up into 6 main parts:

Introductory pages	CAPACITY4RAIL deliverable standard cover page, glossary, table of contents and list of figures.
Executive summary	This section should be a synopsis, or general overview, summarising the content of the document (in general, 1 to 2 pages)
Full description of the approach and results	This is the main part of the deliverable and should explain clearly how the results were achieved, including diagrams or pictures to illustrate technical/scientific points
Conclusion	This section should be a summary of the major outputs of the deliverable (in general 1 to 2 pages but depending on the extension of results to be reported on).
Bibliography	A list of documents, publications and other key references relevant to the deliverable
Annexes with additional information	This part can remain confidential and thus not be delivered.

7.1.2 THE REVIEW PROCESS

Both the content and the form of the deliverable will be reviewed before sending it to users and the EC sufficiently in advance to allow for proof reading, feedback and updates.

The SP-leaders are responsible for the quality of the **content** of the deliverables. To aid the SP-leaders CAPACITY4RAIL has a review system that aims to:

- Ensure a firm scientific basis
- Ensure high quality of content and presentation
- Ensure “implementability”
- Pave the way for dissemination
- Ensure traceability of corrections and validations
- Be a streamlined process with limited additional efforts

To this end CAPACITY4RAIL uses

- Internal and external reviewers
- Reviewers from academia, railway infrastructure managers and railway industry
- Written external review reports and responses

External peer reviewing might be carried out for important deliverables. Which these are is decided by the CAPACITY4RAIL Executive Board. Information regarding this (and current status of the deliverables) is available in a spreadsheet stored on the CAPACITY4RAIL KMS.

The internal quality validation of the **form** of the deliverable is performed by the CAPACITY4RAIL Project Office (ARTTIC). The purpose is to check that the Deliverable development and validation process defined in this document has been properly implemented. Criteria will relate to the document structure and layout, style, spelling and consistency of the language, etc.

7.1.3 TRACKING OF DELIVERABLES

The Project Office keeps a spreadsheet for planning and follow-up of deliverables, including deadlines, name of responsible persons, reviewer information, etc.

An overview of the status is presented during Executive Board meetings.

7.1.4 LEVEL OF CONFIDENTIALITY AND DISSEMINATION

In the CAPACITY4RAIL Project, sub-project leaders and deliverable leaders have decided to make all technical deliverables public and free to be disseminated to the largest audience.

Confidential information, that might be exchanged between the partners for the necessity of the work and for the preparation of deliverables, will remain within internal and milestone reports.

7.1.5 DELIVERABLE VALIDATION PROCESS

The Deliverable Leader should prepare the final draft and send it to his Sub-project leader. When approved by the sub-project leader, the deliverable is then sent to the Scientific and Technical coordinator and the Executive Board members for comments and validation. These comments will be taken into consideration as appropriate.

When the S&T Coordinator and the EB has validated the content, the Project Office will prepare the final version. The final version is then distributed to all partners and finally submitted to the EC.

The Deliverable Leader should take into account realistic timings for the submission of inputs, and therefore prepare the deliverable development process sufficiently in advance, in order to meet the established deadline for its submission to the Commission, as indicated in the DoW.

Figures 2a to 2c show the deliverable validation process, including recommended timings for the development of a deliverable (in calendar days). These may vary depending on the complexity of the deliverable and the number of partners involved in its development. Three cases are considered whether the deliverable requires reviewing within the SP only (Level 1), reviewing by experts from other SPs (level 2) or external reviewing in which experts from outside the C4R consortium need to be involved (level 3).

Reviewing process Level 1

No SP-external review

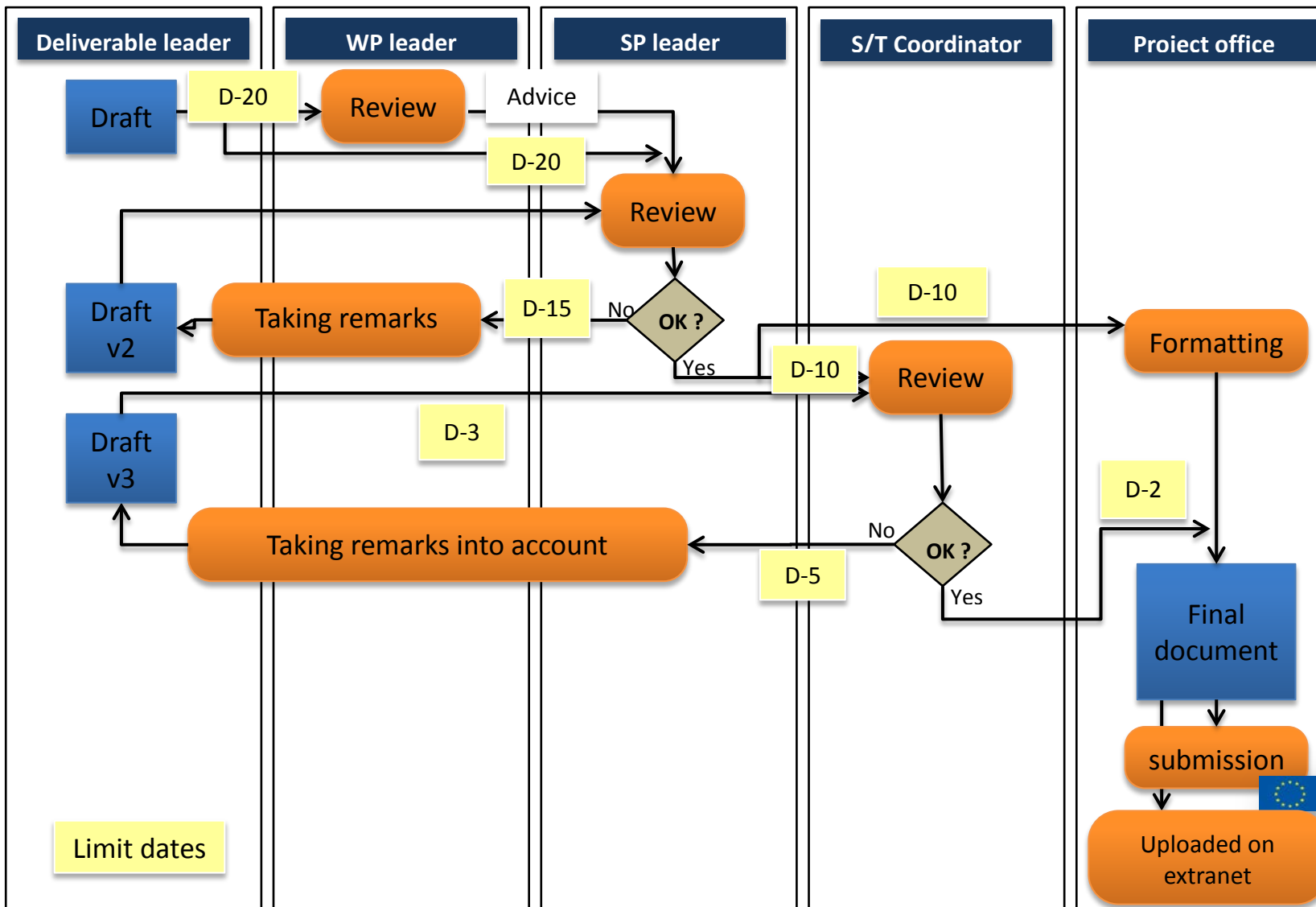


FIGURE 2A: DELIVERABLE REVIEWING PROCESS IN CAPACITY4RAIL – LEVEL 1

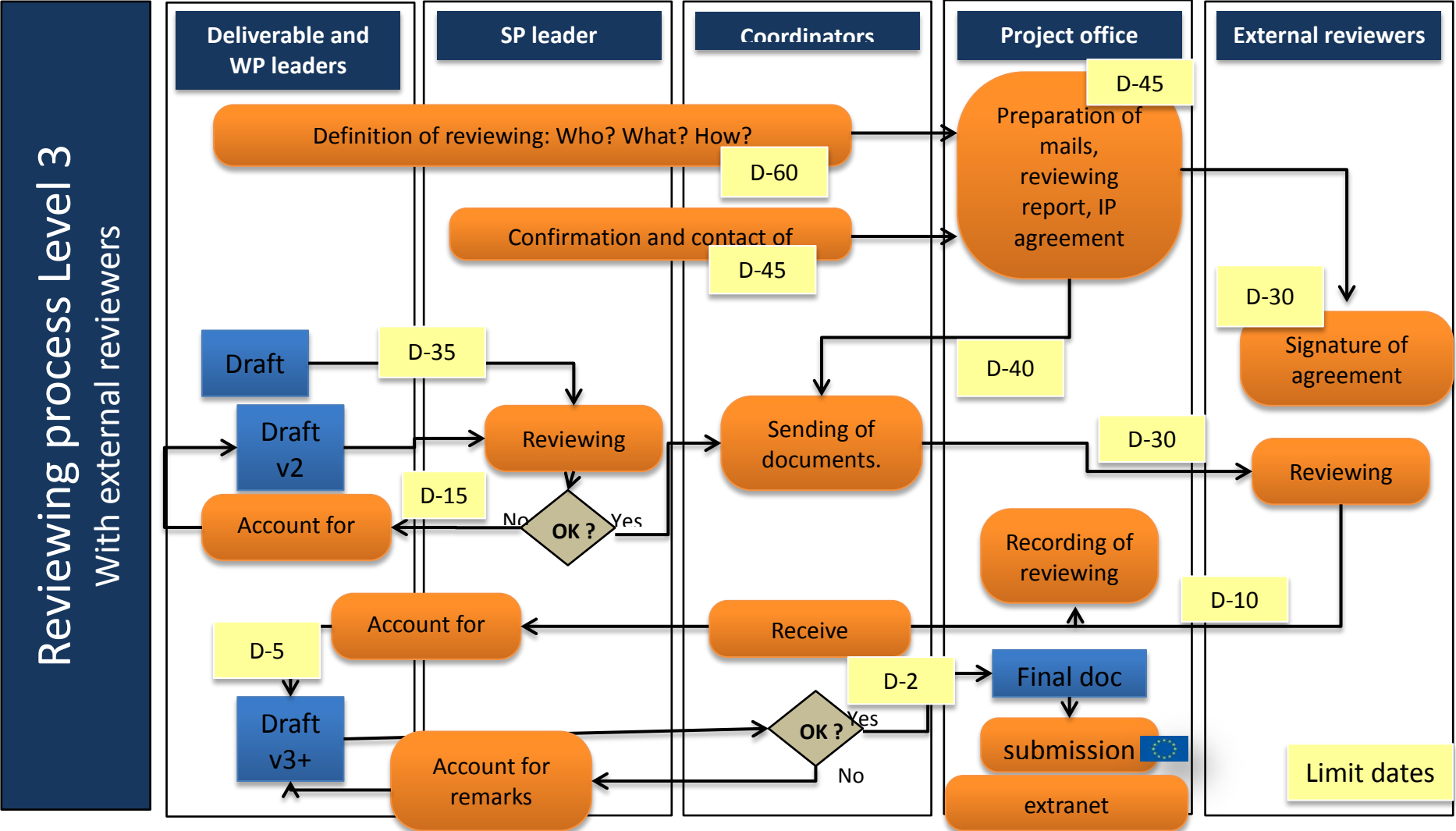


FIGURE 2C: DELIVERABLE REVIEWING PROCESS IN CAPACITY4RAIL – LEVEL 3

Formal acceptance of a deliverable by the EC corresponds to the terms of the Grant Agreement (see Annex 2 II.4 to EC Grant Agreement) within 60 days after submission pending a final approval at a project review or audit.

If the deliverable is not accepted, the consortium might be asked to perform additional work and the payment of Financial Statements could be delayed. It is therefore in the interest of all that deliverables of high quality and in the required format are produced.

Please note that as described before, there could be an additional external review for key deliverables following the submission to the European Commission. Key deliverables will be identified in the course of the project and will be those in which decisive research aspects and important steps forward are identified.

7.1.6 MILESTONE REPORTS REVIEWING

Milestone reports are not subject to reviewing at a higher level than the SP in which they are produced. However, when milestone reports are to be part of future deliverables, there will be advantage to undertake as soon as possible the appropriate full reviewing process, also considering their potentially confidential content.

When reviewed and approved, Milestone reports will be recorded as such by the Project Office.

8 DOCUMENT MANAGEMENT

During the lifetime of the CAPACITY4RAIL project, many documents will be produced. Some rules should be followed to facilitate management of documents produced in the project and to ensure consistent presentation and management.

English being the official language for CAPACITY4RAIL, all documents must be written in English. As not all partners are English native speakers, using simple and clear English terms with short sentences should be privileged. When many contributors from various European countries contribute to the same document, the style and vocabulary of the final document might be very heterogeneous. A careful final revision and English checking is expected, in particular for deliverables and reports which will be submitted to the EC and for documents which will have a wide dissemination.

By default, each document created within CAPACITY4RAIL is considered confidential and © CAPACITY4RAIL CONSORTIUM

8.1 DOCUMENT TEMPLATES

CAPACITY4RAIL partners will use standard document formats (styles, pages layout, basic content structure, definition, etc.) and filing codes for all documents produced in the project.

Templates for paper documents will be prepared by the Project Office and made available on the CAPACITY4RAIL internal website in folder **03-Common_Documents \ 01-Templates**: Word templates for deliverables, minutes, agenda and a Power Point template for presentations.

The document templates will include the project logo on the cover page and specific sections to be filled to make the document compliant with the CAPACITY4RAIL rules and “look and feel”. The template defines the lay-out of the cover page and the internal pages, including required basic information fields and styles to be used.

It is mandatory to use these templates for all CAPACITY4RAIL documents. Up-to-date templates will be available for downloading on the internal website.

All documents produced by the CAPACITY4RAIL Consortium will include the following paragraph in the introduction:

"The authors of this report have used their best endeavours to ensure that the information presented here is of the highest quality. However, no liability can be accepted by the authors for any loss caused by its use"

8.2 COMPUTER FILE FORMATS

To ensure document compatibility, the following file formats should be used:

- WORD version Microsoft Office 2003 or higher (excluding the OOXML-format) for documents;
- EXCEL version Microsoft Office 2003 or higher (excluding the OOXML-format) for spreadsheets;
- PowerPoint version Microsoft Office 2003 or higher (excluding the OOXML-format) for overhead slides;
- PDF for consolidated releases of project documents;
- ZIP for compressed documents;
- JPEG for pictures;
- MP4 for videos.

8.3 DOCUMENT CODING

Each document will be filed with a unique name and filing code on the internal website. Note that this is regardless of any file name and referencing conventions that a partner might use in local archives.

In other words: For CAPACITY4RAIL documents, the CAPACITY4RAIL name conventions shall be used and not any conventions applied internally at each contractor.

The coding for different types of documents is presented in the following chapters.

8.3.1 DELIVERABLES

Deliverables will be coded in the following way:

C4R-DN-S-short title

Where:

- C4R is in reference to the project acronym CAPACITY4RAIL
- DN: Deliverable number in Description of Work (List of Deliverables)
- S: Status

Status can be:

P = preliminary

Vx = version as working document. Example: V1 for version 1.

F = final

Short title: A selfstanding title representing the content of the deliverable. The title used in the DoW table should be used. If a change is necessary the Executive Board should be informed and a formal decision on this change taken.

Examples

C4R-D6.1.2-P-Set up a dissemination platform for C4R

It is the preliminary version of the deliverable D6.1.2 “Set up a dissemination platform for CAPACITY4RAIL”.

C4R-22.1-V2- Novel freight vehicles (Final)

It is the version 2 of the working document of the deliverable D22.1 “Novel freight vehicles (Final)”.

8.3.2 MILESTONE REPORTS

Milestone reports are coded in the same way than deliverables

C4R-MN-S-short title

Where:

- C4R is in reference to the project acronym CAPACITY4RAIL
- MN: Milestone report number in Description of Work (List of Milestone)
- S: Status

Status can be:

P = preliminary

Vx = version as working document. Example: V1 for version 1.

F = final

8.3.3 OTHER DOCUMENTS AND REPORTS

Documents, reports etc should have the following name convention:

C4R-aaa-bb-YYMMDD-Sx-Subject

Where:

- **C4R:** CAPACITY4RAIL
- **aaa:** Origin

Origin can be:

SP=SP1, SP2 etc, SP1 1 (WP1 in SP1), SP1 2, etc.

EB = Executive Board

EC = European Commission

GA = General Assembly

AD = Pure administrative documents

OT = All other documents

- **bb:** Contractor number of document owner (see table below)
- **YYMMDD:** Year, Month, Day

For meetings, the date of the meeting should be indicated. For all other documents, the date of the latest update should be indicated. This date format was chosen since it facilitates sorting in a chronological order.

- **Sx:** Status of the document, followed by the version number

Status can be

D = Draft

R = Review

F = Final

x = 1, 2, n

- **Subject:** A short description of the subject

The following table indicates the contractor number of each partner:

N°	Partner short name	N°	Partner short name	N°	Partner short name	N°	Partner short name
01	UIC	13	DICEA	25	VFS	37	LIU
02	ARTTIC	14	ANSALDO	26	UoH	38	EFRTC
03	TRV	15	UNIFE	27	TUD	39	VCSA
04	SYSTRA	16	UNEW	28	UU	40	VPF
05	DB	17	UNECO	29	TCDD	41	
06	NR	18	CEMOSA	30	REFER	42	USH
07	ADIF	19	NEWOPERA	31	UORTO	43	COMSA

08	FFE	20	OG	32	KOCKUMS	44	STVA
09	IK	21	KTH	33	VDS	45	KB
10	VAE	22	CHALMERS	34	CEDEX	46	RFF
11	ACCIONA	23	UoB	35	SNCF	47	IFSTTAR
12	IST	24	TRL	36	ADEVICE		

Examples:

C4R-SP4-26-131201-F1-Minutes

It is the final version of the minutes written by University of Huddersfield after SP4 meeting on 1 December 2013.

C4R-SP2-03-061002-D2-Minutes

It is the second draft version of the minutes written by Trafikverket from the SP2 meeting on 17 October 2013.

C4R-SP6-01-131114-F2-Description of Work

Is the new version (update of the final version 1) of the Description of Work updated latest on 14 November 2013 by UIC.

8.3.4 LEVELS OF CONFIDENTIALITY AND DISSEMINATION

By default, each document created within CAPACITY4RAIL is considered confidential and with copyright belonging to the author. Corresponding legal mentions are included in the document templates and should not be modified, unless a more restricted copyright applies (or less restricted such as for public deliverables).

8.3.5 DOCUMENT ARCHIVE

The project archive stores copies of the following final documents:

- Deliverables
- Periodic reports (internal and contractual)
- Minutes of meeting (including reviews)

The Project Office administers the project archive and keeps track of all official releases of the documents produced by the CAPACITY4RAIL partners. The partners have the responsibility to send electronic copies (or paper copies in case no other version exists) of the documents to the Project Office, or to store the document directly on the web site (in this case, this should be notified to the Project Office).

9 REPORTING AND REVIEWS

9.1 EC REPORTING AND REVIEWS

The European Commission performs control of project progress through essentially three means:

- Periodic reporting
- Deliverables that are major project results
- Project Reviews

These elements together with the evaluation of project deliverables constitute the ground for the EC payment.

Additional internal reporting is necessary to monitor project progress and detect eventual problems and risks at early stages. Internal reporting formats are defined as close as possible to the EC reporting formats to facilitate reuse of existing information but at the same time, light enough so as to not overburden partners with additional administrative work.

9.1.1 EC PERIODIC REPORTING

The CAPACITY4RAIL project is divided into the following reporting periods:

- Period 1: from M1 (October 2013) to M18 (March 2015)
- Period 2: from M19 (April 2015) to M36 (September 2016)
- Period 3: from M37 (October 2016) to M48 (September 2017)

The EC periodic reporting will be prepared by the CAPACITY4RAIL partners and the SP leaders. The Project Office will assist with the consolidation and quality assurance of the reports. The reporting includes the following documents:

- the deliverables for each project period as identified in the Description of Work
- the Periodic Activity Report on activities and results of the project over the last 18 months, including achievement and attainment of any deliverables and milestones identified in the Description of Work
- Financial statements (Form C) of each partner
- a Certificate of the Financial Statement (CFS) provided by an external auditor or qualified public officer for cumulated requested funding over 375 000 Euros

The reports are due 60 calendar days after the end of the reporting period. Since the CAPACITY4RAIL project started on 1 October, the deadline for reports will be:

- 30 May 2015
- 30 November 2016
- 30 November 2017

At the end of the project, the consortium should provide the **final reporting** which includes:

- A final publishable summary report covering results, conclusions and socio-economic impact of the project
- A plan for use and dissemination of foreground
- A report covering the wider implications of the project for infrastructure managers and possible clients, in the form of a questionnaire, including efforts to involve other actors and to spread awareness

The reports should be provided within 60 days after the end of the project, i.e. 29 November 2014.

9.1.2 PERIODIC EC REVIEWS

After submission of the reports to the EC, a review meeting is organised by the Commission, with external reviewers. This meeting can take place without the participation of consortium representatives and then only be based on the delivered reports, but normally consortium members are invited.

These reviews are the **most important events** in the continuous evaluation made by the EC for the following reasons:

- For the Project Officer and reviewers, the reviews are the main opportunities for evaluating the project;
- Reviews are the only occasion to present detailed project results to the Project Officer and Reviewers and to discuss project progress;
- Reviews are real opportunities to demonstrate the cohesion of the consortium and the commitment of the partners to achieve the project objectives.
- After the review, the reviewers will provide their evaluation of the project in a review report and may issue recommendations for the future of the project. The review can lead to:
 - Continuation with small changes;
 - Continuation with important changes implying a complete revision of the DoW and of the organisation of the project, most often delaying payments from the EC;
 - Immediate termination of the contract in case everything goes wrong.

As a consequence, reviews are particularly important and need careful preparation as they usually strongly influence contractual relations with the EC.

9.2 INTERNAL REPORTING

As the EC contractual reporting covers relatively long periods (from 12 to 18 months), an internal reporting system is necessary to monitor project progress and detect problems and risks at early stages. Another reason to have an internal reporting system is to collect information successively, which will make the preparation of the EC annual reporting more efficient since much of the collected information can be re-used.

9.2.1 INTERNAL REPORTS

Every mid-term of each EC reporting period, i.e. in months 9, 27 and 42 all partners should provide a mid-year report including:

- A description of activities and results for each partner per work package, including
 - objectives of the period
 - activities carried out
 - status of deliverables
 - participation in meetings
 - dissemination activities, including scientific publications
- An estimation of resource consumption (budget and efforts, to be provided on partner level)

The report format will be similar to the EC annual report, which will allow re-use of the information at the end of the reporting period.

All report templates will be sent out by the Project Office and will also be available on the CAPACITY4RAIL internal website.

The SP Leaders will consolidate the information about the work done at SP level with inputs on technical progress from the work package and task leaders. The Project Office will collect input from all partners concerning budget and effort consumption.

9.2.2 INTERNAL PROJECT REVIEW

The project will perform a mid-term internal project review that will be organised by the Project Manager and the Project Office and carried out within the Executive Board shortly after the preparation of the consolidated mid-term report, which will serve as basis for the review. It will have the objective to share and discuss activities and results in detail. It will also allow SP leaders to coordinate their work.

10 FINANCIAL MANAGEMENT

The financial management includes procedures for financial statements, payment handling and project accounting.

10.1 FINANCIAL STATEMENTS

The financial provisions for the CAPACITY4RAIL project are described in Annex 2 (Part B) to the CAPACITY4RAIL contract and further detailed in the EC document “*Guide to Financial Issues relating to Indirect Actions of the Seventh Framework Programmes*”, which is available on the Cordis website.

The Financial Statement (form C) completed by each contractor is submitted by the Coordinator to the Commission at the end of each 12 months reporting period with the management report. The statements are given according to the contractor’s traditional accounting rules. However, each partner should check that:

- project costs are properly identified in the organisation’s accounts,
- eligible costs can be distinguished from non-eligible costs and
- records (timesheets, invoices etc.) are properly stored

The Financial Statement must be accompanied by an audit certificate from an independent auditor (or for public bodies from a competent public officer) if contractors’ cumulative request for Community financial contribution is equal to or exceeds 375,000 EUR for the reporting periods for which an audit certificate has not yet been submitted. In all cases an audit certificate shall be submitted at the latest 60 days after the final reporting period. This final audit certificate shall cover all period/s for which an audit certificate has not been previously submitted (see also special clause 39 in the EC contract).

To be eligible, costs must be:

- Actual (no estimations!), economic and necessary for the project;
- Determined in accordance with the usual accounting principles of the contractor;
- Incurred during the duration of the project (exception: costs incurred in drawing up the final reports, up to 60 days after the end of the project);
- Recorded in the accounts of the contractor and must exclude indirect taxes, duties, interests, costs reimbursed in respect of another community project;
- Without any profit.

All costs that cannot be justified according to the principles of eligibility will be disallowed and the Commission contribution will be recovered. All partners have to pay attention to this issue in advance to make sure that all Financial Statements will be correctly reported and consequently processed smoothly by the EC.

The content of Form C is explained in the EC document “*Guide to Financial Issues relating to Indirect Actions of the Sixth Framework Programme*”, Chapter 3 and an example of the form can be found in the annex of that document. Costs are detailed by activities (Research and Technological Development/Innovation, Demonstration, Training, and Management of the

Consortium). The project budget according to these activities per partner is detailed in the A3.1- A3.3 forms of the Contract Preparation Forms (CPF) and in section 9 of the DoW. Receipts gained through the project activities have also to be reported in Form C.

The Project Office will be responsible for collecting, formally checking and compiling the project's Financial Statements. The Project Office will inform the Project Coordinator of any difficulties encountered (delay in receiving information from a partner, major discrepancy between consumption reported in Financial Statement and progress reports, etc.) and where appropriate will propose contingency measures

10.1.1 PREPARATION OF FINANCIAL STATEMENTS

Financial Statements should be submitted together with other reporting documents to the EC within 60 calendar days after the end of each reporting period.

The following procedure will be implemented for the preparation of the Financial Statements.

- two months before the EC deadline, the Project Office will send the EC forms for the compilation of the Financial Statements (and the CFS if required) in an Excel spreadsheet, together with clarification notes for each item.
- The partners should send their Financial Statements electronically to the Project Office, no later than one month before the EC deadline.
- The Project Office will check that the Financials Statements (and CFS) comply to the EC requirements and send possible comments to the partners.
- 3 weeks before the EC deadline, the partner should provide one paper copy with ORIGINAL SIGNATURES - no photocopies accepted!
- In case a partner does not submit the Financial Statements (and CFS) in time, the Project Coordinator can decide that no Financial Statements for his/her organisation will be included in the submission to the EC and that consequently the partner will not receive any further funds; he/she will thus have to wait until the next year's period. This is to avoid that payments to all partners will be delayed because of the delay from one partner.
- The Project Office will compile the Financial Statements and the Certificates and send them to the Coordinator two days before the EC deadline.
- The Coordinator will send the entire set and the due reports to the Commission within 60 days after the end of the reporting period.
- Where no comments, changes or substantial corrections to any of the project activity reports or Financial Statements are required, the Commission will pay the Community financial contribution within 105 days following the receipt by the Commission of the reports.

10.1.2 CERTIFICATES ON FINANCIAL STATEMENTS (CFS)

A Certificate on Financial Statements (CFS) is mandatory for every claim (interim or final) in the form of reimbursement of costs whenever the amount of the EC contribution is equal or superior to 375 000 € when cumulated with all previous payments for which a CFS has not been submitted.

Once a CFS is submitted, the threshold of 375 000 € applies again for subsequent EC contributions, but the count starts from 0.

The CFS should be provided in English by the contractor's own independent, qualified external auditor; for public bodies, it may be provided by a competent public officer.

The requirements of the CFS are described in the annex VII of the Grant Agreement (Form D). Annex VII is composed of three separate documents:

- A list of the minimum terms required by the Commission to be included in the engagement letter between the partner and the Auditor. The engagement letter must be dated and signed by both parties.
- The model Auditor's Report of Factual Findings to be issued on the Auditor's letterhead and dated, stamped and signed by the Auditor (or competent public officer).
- A detailed description of the procedures to be performed by the Auditor and the findings expected to result there from.

The partner's Financial Statements (Form C) signed by the partner should be attached to the Report of Factual Findings.

Note that the submission of a CFS does not waive the right of the Commission to carry out its own audits, which may be launched at any time and up to 5 five years after the end of the project.

10.2 PAYMENT HANDLING

10.2.1 PAYMENT FROM THE EC

The maximum total EC financial contribution for the CAPACITY4RAIL project is fixed at 9,890,105 Euros

The payments by the EC for each reporting period are done as follows:

- Pre-financing for the period related to the initial 18 month plan:
 - Pre-financing granted to the Project Coordinator on behalf of the consortium remains the property of the Community.
 - The Project Coordinator shall inform the Commission of the amount of any interest or equivalent benefits yielded by the pre-financing.
 - This interest will be deduced from the grant.

- Payment for the concerned reporting period:
 - After acceptance of the yearly Progress Report and related Financial Statements and reports by the Commission.

The following payment schedule applies:

- The EC financial contribution is distributed to the Coordinator through pre-financing followed by interim payments. The steering board will decide on the distribution rules to be applied for each payment received from the Commission.
- The payments for the subsequent reporting periods are handled in the same way.
- Upon receipt of the funds from the EC, the Project Coordinator has the responsibility to transfer the funds to the partners according to rules defined in the Consortium Agreement and to the decisions made by the General Assembly.

10.2.2 DISTRIBUTION OF FUNDS ONCE RECEIVED

The EC financial contribution is received by the Project Coordinator on behalf of the consortium, split by reporting period. The Project Coordinator must distribute the EC financial contribution without unjustified delay to the contractors according to the EC contract and rules set out in the Consortium Agreement as well as the decisions made by the General Assembly.

First payment

- 75% of the Pre-financing from the Commission will be transferred to the partners upon receipt to cover the expenses of the first project period (first 18 months).
- For the remaining 25%, the Steering Committee will decide on a case by case considering the use of resources done by the partners during the first 18 projects months.

Subsequent payments

The subsequent payment of the Community financial contribution will be distributed upon validation of the deliverables and the costs statements by the Commission. T

10.3 PROJECT ACCOUNTING

All payments of the EC financial contribution are made to the Project Coordinator who has opened a specific account for the project. It is the Project Coordinator's responsibility to transfer the money to each partner according to the procedure defined in the Consortium Agreement.

The Project Office will monitor the payment process and take care of the project accounting. In particular, the Project Office follows-up total expenses per contractor and activity per period compared to what was planned in the budget, based on the 6-monthly internal

reporting. The aim is to keep the record of the payments and the expenses. This will also serve to alert the concerned partners and the respective management body if necessary.

Note that this monitoring is carried out at project level and does **not** discharge in any case the individual partners of closely following-up their own project budget. Each partner is responsible of his expenses and Financial Statement within his budget, and must make sure that the EC rules and project internal agreements are respected.

11 RISK MANAGEMENT

The nature of collaborative projects like CAPACITY4RAIL makes the partner's work highly interdependent.

The developments carried out in such a project can be seen as a chain. If any of the links is missing or fails to provide the properties it was designed for, the whole system fails. Due to the higher autonomy of FP7 projects, risks incurred by consortium partners are higher than in projects of the previous Framework Programmes.

This is why the project partners need to agree on:

- Proper mechanisms to identify and assess potential risks as early as possible;
- Proper contingency plans to be deployed in case any of the risks occur.

The risk management process in CAPACITY4RAIL consists of four main phases:

1. **Update/identification of risks and contingency plans.** In the initial Description of Work, the CAPACITY4RAIL partners identified potential risks in each work package. These risks will serve as a basis for the first version of the CAPACITY4RAIL risk register at project level. This version will be completed with the problems/risks that are sent by partners to the Project Office through the internal reporting system (M3 and M9 each year) and through the yearly update by the Project Manager and the SP leaders done in connection to the mid-year reporting.

A separate risk register at SP level will also be set up. It will be carefully perused and updated during Executive Board meetings.

As experienced during the first reporting period, issues not tackled at an early stage have led to substantial delays in delivering Deliverables. Although delays may be caused by a number of reasons, the two main reasons which have been identified are the lack of input / contribution from Partners involved and the lack of available resources at the right time.

Partners in charge of the Deliverable, as well as contributors, will be made aware of the Deliverables to be submitted over the next 12 months to make sure that all stakeholders are aware of the pending work so as to organize themselves in terms of time and resource allocation. A schedule of work will be circulated to ensure the timely delivery.

Furthermore, a Deliverable tracking tool has been set up allowing easy action follow-up.

2. **Analysis of critical risks and prioritisation of contingency plans.** When the Project Office has consolidated the risks provided by partners and SP leaders, risks will be analysed and contingency plans prioritised according to their criticality. This will be done on the initiative of the Project Coordinator

together with the CAPACITY4RAIL Executive Board and/or the Technical Coordination Group.

Once a risk has been identified, a conference call will be scheduled with the SP leader, the WP leader, the partner in charge of the Deliverable and the partners involved in writing the Deliverable. A strict plan of action will be determined and followed-up closely.

3. **Implementation of contingency plans.** Actions identified in the contingency plan will be carried out by the person or persons responsible for the execution of the action.

If the risk is critical and may lead to other tasks being significantly delayed, a face to face meeting will be convened and sanctions applied – resources may be transferred from the partner delaying the work to another partner in the consortium.

4. **Update of risk register and follow-up of contingency plans.** The partners will report to the Project Office/Coordinator about the status of the implementation of contingency plans identified in the risk register. The Project Office will monitor the implementation and update the risk register accordingly.

This process and its different steps are schematised in Figure 3 below.

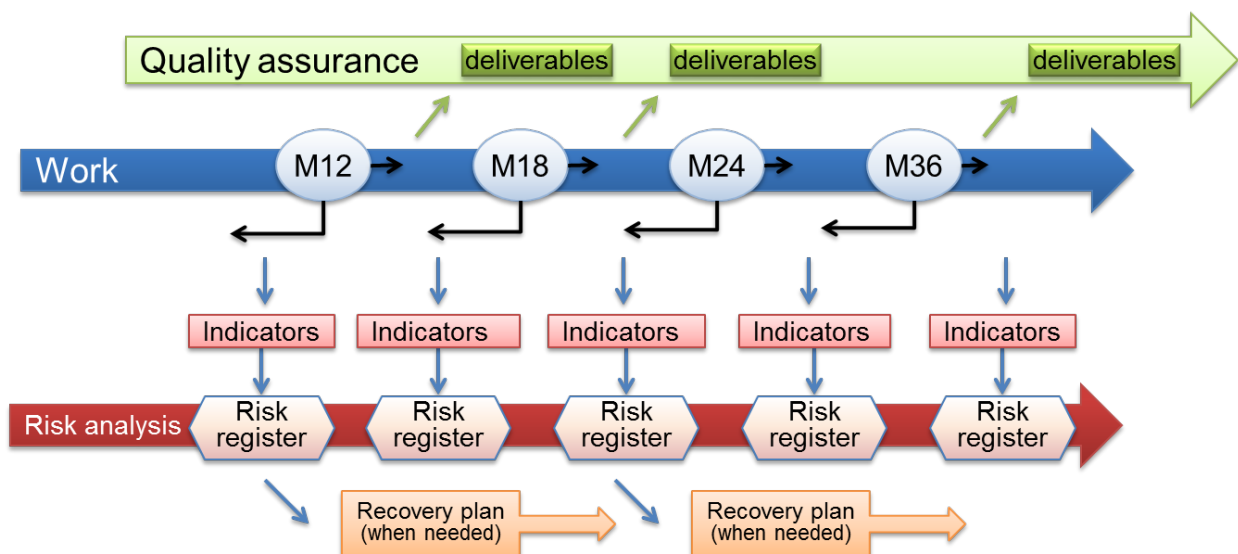


FIGURE 3: RISK MANAGEMENT PROCESS

12 CONCLUSIONS

The good implementation of procedures and guidelines described here will facilitate the collaboration between partners and ensure a high quality of project deliverables and reporting towards the EC.

However, partners should also have a good knowledge about the EC contract and its annexes, the Consortium Agreement and the various EC guidelines, which, in case of uncertainty, supersede the procedures outlined in this document.

Persons with management responsibilities in the project should be especially aware of the essential documents regarding the CAPACITY4RAIL project management as outlined the list below:

- CAPACITY4RAIL Core Contract: ref SCP3-GA-2013-605650-CAPACITY4RAIL
- Annexes to the Contract CAPACITY4RAIL :
 - Annex I – Description of Work
 - Annex II – General Conditions
 - Annex III – Specific conditions related to Integrated Projects
- Consortium Agreement
- Guide to Financial Issues relating to FP7 Indirect Actions :
http://ec.europa.eu/research/participants/data/ref/fp7/89556/financial_guidelines_en.pdf
- Audit certificate : Guidance notes for beneficiaries and auditors:
http://ec.europa.eu/research/participants/data/ref/fp7/89531/guidelines-audit-certification_en.pdf
- Guidance Notes on Project Reporting:
http://ec.europa.eu/research/participants/data/ref/fp7/90389/project_reporting_en.pdf
- Financial statements (Form C):
ftp://ftp.cordis.europa.eu/pub/fp7/docs/fp7-ga-annex6-cp-v3_en.pdf