



**Contribution Rules of the
European Technology Platform on Smart Systems Integration
(EPoSS Association) for membership fees and variable fees**



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Membership fee

EPoSS offers different types of membership.

The rights and obligations of each membership type are defined in the Articles of Association.

For members obliged to pay a membership fee, the following applies:

Category	Description	Annual fee for membership
Category A	Small enterprise (< 50 employees and/or turnover ≤ € 10 m)	500 €
	Medium-sized enterprise (< 250 employees and/or turnover ≤ € 50 m)	1,500 €
Category B	Universities and colleges	2,000 €
	Public research institutions and other research institutes	4,000 €
Category C	Large enterprises, i.e. companies and groups with more than 250 employees and/or an annual turnover over € 50 m	8,000 €
Category D	Clusters	8,000 €

For SMEs with a maximum of 250 employees, the first year of membership in EPoSS is free of charge.

After the first year, the amount of the membership fee depends on the staff headcount and turnover of an enterprise:

- Small enterprise (< 50 employees, turnover ≤ € 10 m) pay 500 € p.a.
- Medium-sized enterprise (< 250 employees, turnover ≤ € 50 m) pay 1,500 € p.a.

The membership fee is annually invoiced by the EPoSS office. The invoice will be sent to the members by email. A membership fee for less than a full year is charged pro rata.

Variable fee

EPoSS, Inside and AENEAS are liable to pay a significant part of the administrative costs of the Chips Joint Undertaking Office for its activities to support the ECSEL, KDT and Chips JU projects.

For the Chips and KDT JU, this obligation is described in the Council Regulation (EU) 2023/1782 of July 25, 2023 amending Regulation (EU) 2021/2085 establishing the Joint Undertakings under Horizon Europe, as regards the Chips Joint Undertaking (the “Single Basic Act” or “SBA”).

For the ECSEL JU, this obligation is described in Council Regulation (EU) 561/2014 of May 6, 2014.

EPoSS finances its share of these costs through a contribution fee (called variable fee), to be paid by all participants in ECSEL, KDT and Chips JU projects who are members of EPoSS (and by participants who have signed a Declaration of Acceptance (DoA)* with EPoSS for the ECSEL calls up to and including Call 2019).

(*In line with the new EU Financial Regulation, as of Call 2020 EPoSS can no longer accept new Declarations of Acceptance (DoA) for ECSEL projects. However, for ECSEL projects up to and including the Call 2019, participants can sign an ECSEL DoA.)

Each year, the General Assembly of EPoSS decides on the variable fee percentage. Therefore, this percentage may slightly differ per year.

Please be aware that there are some differences between the invoice rules for ECSEL and KDT/Chips JU projects. In the following, these are explained separately. Following the explanations, please find additional important rules concerning the invoicing for ECSEL and KDT/Chips JU projects.

Variable fee in Chips JU and KDT JU

The variable fee payable per member in each financial year shall be a percentage of the maximum possible funding received by the member and its subsidiaries from the participation in KDT/Chips JU projects in the relevant financial year. This percentage is to be established by the General Assembly for each financial year. The maximum percentage is 3.3%.

The EPoSS General Assembly has approved the following variable fee percentage for KDT JU projects:

Year	EPoSS member
2024	1,8 %
2023	1,8 %
2022	1.8 %
2021	1.8 %

The variable fee for the projects is invoiced in three instalments, to be charged in successive years. The first tranche is usually calculated in the year following the start of the project. However, if the projects start at the beginning of a year, the first instalment can already be invoiced in the second half of the respective year.

The variable fee for the three instalments for projects is calculated using the following formula:

$$\frac{\left(\frac{1}{3}\right) \times \text{Funding of a Partner}}{\text{Industry Association Count}} \times \text{Variable Fee Percentage}$$

Funding of a partner	Maximum possible funding of the partner in the project (in €).
Maximum possible funding	The total of the maximum of funding that a project participant may receive from the JU and the national funding authorities in the context of a project, as specified for such project participants in the relevant PAB decision.
Industry Association count	Number of industry associations affiliated with Chips JU (EPoSS, Inside, AENEAS) in which the partner is a member.
Variable Fee percentage	Variable fee percentage for the respective year for EPoSS members.

Important remarks

- The formula states that if a partner is member of two, respectively three associations, the variable fee invoiced by EPoSS is charged for 1/2, respectively 1/3 of the funding amount for that instalment.
- Please note that a project partner who is a member of multiple associations will receive invoices from each of these associations. Each association invoices according to its own variable fee rate.
- The invoices for the variable fee are addressed directly to the representatives of the partners in the project consortia.

- If a project partner becomes an EPoSS member during the project period, the partner is obliged to pay all variable fee invoices for active projects in which the partner participates for the whole project period. This does not apply to previous project years before the official start-date of the membership.

Variable fee in ECSEL JU

The variable fee payable per member in each financial year shall be a percentage of the maximum possible funding received by the member and its subsidiaries from the participation in ECSEL JU projects in the relevant financial year. This percentage is to be established by the General Assembly for each financial year. The maximum percentage is 3.3%.

The EPoSS General Assembly decided upon the following variable fee percentages:

Year	EPoSS member	DoA signer *
2020	1.8 %	--
2019	1.8 %	2.1 %
2018	1.8 %	2.1 %
2017	2.4 %	2.5 %
2016	2.9 %	3.0 %
2015	3.2 %	3.3 %

(* In line with the new EU Financial Regulations, as of Call 2020, EPoSS will no longer accept new Declaration of Acceptances (DoA) for ECSEL projects. However, for ECSEL projects up to and including the 2019 Calls, participants can sign an ECSEL DoA.)

The Variable Fee for ECSEL projects is calculated using the following formula:

$$\frac{\left(\frac{\text{Time Year}}{\text{Time Project}}\right) \times \text{Funding of a Partner}}{\text{Industry Association Count}} \times \text{Variable Fee Percentage}$$

Time Year	In a given year, number of project days for the partner.
Time Project	Total duration of the project.
Funding of a partner	Maximum possible funding of the partner in the project (in €).
Maximum possible funding	The total of the maximum of funding that an ECSEL project participant may receive from the JU and the national funding authorities in the context of an ECSEL project, as specified for such ECSEL project participants in the relevant PAB decision.
Industry Association count	Number of industry associations affiliated with ECSEL (EPoSS, Inside, AENEAS) in which the partner is a member or signed a DoA with.
Variable Fee percentage	Variable fee percentage for the respective year, based on membership or DoA.

ECSEL JU projects – example

Example for the calculation of the variable fee of partner A in an ECSEL project for year X:

$$\frac{\left(\frac{120 \text{ days}}{731 \text{ days}}\right) \times \text{€ } 3.089.067,00}{1} \times 2 \% = \text{€ } 10.141,94$$

Important remarks

- The formula states that if a partner is member of two, respectively three associations, the variable fee invoiced by EPoSS is charged for 1/2, respectively 1/3 of the funding amount in a year.
- Please note that in case a partner is member of multiple associations, this partner will receive invoices from each of the associations in which he is a member. Each association charges according to its own variable fee percentage.
- The invoices of the variable fee are addressed directly to the representatives of the partners in the project consortia.
- If a project partner signs a Declaration of Acceptance (DoA) or becomes an EPoSS member during the project period, the project partner is obliged to pay all variable fee invoices for active projects in which the partner participates for the whole project period, including previous years.

Post-calculations

- After the project has ended and on request of a project partner, a final invoice (post-calculation) can be issued, based on the actual total funding received by the project partner.
- The condition for a post-calculation is that EPoSS receives a confirmation from the participating state on the final total funding of a partner. A post-calculation will only be invoiced or credited if the difference between the invoiced variable fee and the post-calculated variable fee is higher than 10 %.

Corporate-member share (additional contribution fee) – only for ECSEL projects

All corporate-members of EPoSS have agreed to pay an extra variable contribution for the non-paying non-members (freeriders) participating in the same ECSEL JU projects. This corporate obligation is called the C-member share. Invoices are issued on an annual basis, calculated according to the actual situation within the project. The C-member share for a certain year is invoiced in the first half of the following year.

In case a project partner becomes a corporate member of EPoSS during a project, this partner is not invoiced for the C-member share of previous years before the official start-date of his membership. The new corporate member will be invoiced for the C-member share starting in the calendar year in which he became member.

The C-member share for ECSEL projects is calculated using the following formula:

$$\frac{\left(\frac{\text{Funding of a partner}}{\text{Funding of the C Members}} \right) \times \text{Funding of the Freeriders}}{\text{Industry Association Count}} \times \text{Variable Fee Percentage}$$

Funding of a partner	Funding of the (corporate) member for current year
Funding of the C members	Funding of all corporate members for current year
Funding of the freeriders	Funding of the freeriders for current year
Industry Association count	Number of industry associations affiliated with ECSEL (EPoSS, Inside, AENEAS)
Variable Fee percentage	Variable fee percentage for EPoSS members for current year

Example for the calculation of the C Member share of partner A in an ECSEL project for year X:

Partner	Funding Year X	EPoSS	Inside	AENEAS	Partner A	
Partner A	€ 20.000	Corporate member	Corporate member		Funding of the partner	€ 20.000
Partner B	€ 60.000		Corporate member	Corporate member	Funding of the C members	€ 110.000
Partner C	€ 30.000	Corporate member			Funding of the freeriders	€ 90.000
Partner D*	€ 40.000				Industry Association count	2
Partner E*	€ 50.000				Variable Fee percentage	2 %
Partner F	€ 40.000	Non-profit member	Non-profit member	Non-profit member	$\left(\frac{20.000}{110.000} \right) \times \frac{90.000}{2} \times 2 \% = € 163,64$	

(* freeriders)

Further important rules concerning the project invoicing

1. In case the grant agreement contains information with respect to the maximum possible funding from ECSEL / KDT / Chips JU that is different from the corresponding information in the ECSEL / KDT / Chips JU Public Authorities Board (PAB) decision, then the information in the grant agreement will be leading in determining the variable contribution for the member involved. The variable contribution shall be charged per financial year and is payable on the dates as to be set by the Board. The amount of the variable contribution, once invoiced, shall be regarded as not disputed, if the member does not dispute the amount in writing within five months from the date of the relevant invoice, without prejudice, however.
2. Members are free to effect payments in advance for a financial year.
3. Upon request of a member, as soon as reasonably possible after the finalisation of a project, on the basis of information from the JU and the national funding authorities, provided by the member concerned, EPoSS shall compute the difference between the actual variable contribution due by each member and associate and the advances paid by the member in respect of the project. EPoSS will notify each member and associate in writing whether the difference is more than 10 %. If the advances paid by a member in respect of a project are more than 10% less than the actual variable contribution that is due, such member shall pay the difference to EPoSS within 60 days after receipt of such notification. If the advances paid by a Member in respect of the relevant project are more than 10% over the actual variable contribution that is due, EPoSS shall pay such difference to such member within 60 days of dispatch of such notification.
4. The variable contribution, including the advances and instalments, if any, may be invoiced by and paid to one of the other JU Associations or even a third party, if so agreed upon between EPoSS and the other JU Associations and/or the third party. If so agreed upon, EPoSS shall notify in writing the JU project participants involved thereof in a timely manner, and any such payment by such JU participants will discharge the JU project participants from their obligation under this clause. That other JU Association or third party will transfer the variable contribution to EPoSS upon payment by the JU project participant.
5. The obligation to pay the variable contribution and to report the maximum possible funding and the in-kind contribution in respect of JU projects (for which a member or one of its associated companies has concluded a project agreement during the period in which it was a member) shall continue after termination of membership as if the member or associate in respect of which a membership was terminated were still a member.