

## MPC's in FP7

**Mediterranean Partner Countries (MPCs)** (*Algeria, Egypt, Jordan, Lebanon, Libya, Morocco, Palestine, Syrian Arab Rep., Tunisia*) are a group of International Cooperation Partner Countries (ICPC). MPCs enjoy similar rights (e.g., funding, IPR) and are subject to the same obligations (e.g., financial and scientific reporting, audits, IPR) as the EU partners of the consortium.

For more information;

<http://www.ipr-helpdesk.org/>

<http://cordis.europa.eu/fp7/>

<http://www.miraproject.eu>

## SME Definition

Scale of the Enterprise	Staff Headcount	Annual Turnover	Annual Balance Sheet
Medium-Size	< 250	≤ 50 million €	≤ 43 million €
Small-Size	< 50	≤ 10 million €	≤ 10 million €
Micro-Size	< 10	≤ 2 million €	≤ 2 million €

SME's must be **autonomous**. It is considered autonomous provided that **no more than 25 %** of its capital or voting rights belong to one or several other enterprises which themselves do not meet the definition of a SME. There are exceptions to this 25% threshold for public investment corporations, venture capital companies, etc.



## IPR ISSUES FOR MPC SME's



In FP7, intellectual property rights (IPR) are important for both member states, associate countries and third-party countries. Participants are strongly encouraged to consider and tackle IPR issues as soon as possible during the preparation of their project and to negotiate any relevant questions with the other participants before starting the project. Indeed, IPR issues can affect both the way a project is conducted, and the exploitation of results after the end of a project.

## Foreground & Background

**FOREGROUND** The information and intellectual property rights that beneficiaries generate within the project, the results of the project.

**!** *Results generated outside a project do not constitute foreground.*



**BACKGROUND** Information and knowledge held by the participants prior to their accession to the EC grant agreement, as well as any intellectual property rights which are needed for carrying out the project or for using foreground.

**!** *Ownership of background is not affected by participation in a FP7 project.*

### **! REMEMBER THAT !**

Each beneficiary has the right to request access rights to the other beneficiaries' background and foreground, as long as it needs them in order to carry out its work under the project or to use its own foreground.

The grant agreement establishes the economic conditions for the granting of access rights, according to the nature of the information (background or foreground) and the purpose for which it is requested. Beneficiaries may further define it in their consortium agreement, where allowed.

## Joint Ownership

Beneficiaries have the right to define, **by consortium agreement**, the background that each one of them is going to make available to the project and/or exclude specific background from their obligation to grant access rights.

Each beneficiary is owner of the foreground it generates.

**IF** several beneficiaries have generated foreground by common efforts and it is not possible to distinguish their individual contributions, they shall have **joint ownership** of the foreground in question. They will normally sign a joint ownership agreement in order to define the shares and the management of the joint ownership.

**IF** there is no such agreement, a default joint ownership regime will apply: **each joint owner will be free to grant non-exclusive licences to third parties, provided that it notifies the other joint owners and grants them fair and reasonable compensation.**

**IF** a beneficiary wishes to **transfer** its ownership to a third party, it shall ensure that the latter will comply with its obligations under the project. **The other beneficiaries shall be informed of any transfer plans and may object** if they consider that their access rights are not safeguarded. However, they can waive their notification right for transfers to a specifically identified third party.

## Management of Foreground

**IF** the transfers are contrary to the interests of the European economy, to ethical principles or security considerations, the Commission may also oppose transfers to entities established in third countries (other than countries associated with the FP7).

Beneficiaries have three main obligations regarding the management of foreground: **PROTECT** it (at least when it is capable of commercial or industrial application), **USE** it (in further research or commercial activities) and **DISSEMINATE** it (to the relevant public or the public in general).

When a beneficiary plans dissemination, it shall always highlight the Community financial support to the project.

Beneficiaries may use the foreground themselves or grant licences to third parties, thus using it indirectly (technology transfer). Licensing to third parties shall always guarantee that the access rights of the other beneficiaries are maintained. A beneficiary that wishes to grant an exclusive licence to its background/foreground to a third party shall first obtain the written agreement of the other beneficiaries that they waive their

 *Valuable foreground should be protected otherwise the Commission may take ownership.*