



# Report on budgetary and financial management Financial year 2019

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# 1 Legal and financial framework

## Legal framework

Innovative Medicines Initiative Joint Undertaking (IMI2 JU) is a Public Private Partnership (PPP) between the European Union (represented by the European Commission) and the European Federation of Pharmaceutical Industries and Associations ('EFPIA'). IMI2 JU was established, within the meaning of Article 187 of the Treaty on the Functioning of the European Union, by Council Regulation (EU) 557/2014 of 06/05/2014<sup>1</sup> for the implementation of the Joint Technology Initiative on Innovative Medicines.

PPPs are an instrument foreseen by H2020, established by Regulation (EU) No 1291/2013 of the European Parliament and of the Council<sup>2</sup> to achieve a greater impact with respect to research and innovation by combining European Union public funds and private sector funds in key areas where research and innovation can contribute to the European Union's wider competitiveness goals, leverage private investment and help tackle societal challenges.

IMI2 JU is established for a period until 31 December 2024. However, in order to take into account the duration of Horizon 2020, Calls for proposals by IMI2 JU shall be launched at the latest by 31 December 2020. IMI2 JU replaced and succeeded the IMI JU, established by Regulation (EC) No 73/2008. However, according to Article 19.2 of Regulation 557/2014, actions initiated under Regulation (EC) No 73/2008 and financial obligations related to those actions shall continue to be governed by that Regulation until their completion. Regulation (EU) No 1290/2013<sup>3</sup> shall apply to the actions funded by IMI2 JU. In accordance with that Regulation, IMI2 JU shall be considered as a funding body and shall provide financial support to indirect actions as set out in Article 1 of the Statutes.

The legal (Council Regulation 557/2014 of 6 May 2014) and financial framework (Regulation 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, and IMI2 JU Financial Rules of 22 December 2015, IMI2-GB-DEC-2015-44) of the IMI2 JU did not change in 2019.

Following the revision of the Financial Regulation 2018/1046 in August 2018, and the adoption of the Delegated Regulation (EU) 2019/887 on the model financial regulation for public-private partnership bodies referred to in Article 71, the IMI2 JU has to revise and adopt new Financial Rules. The specific IMI2 JU requests for its Financial Rules to depart from certain provisions of Delegated Regulation (EU) 2019/887 was subject to two European Commission decisions, namely C(2019)8061 of 7.11.2019 and C(2020)1343 of 6.03.2020.-The final text of new Financial Rules is planned to be adopted within the first half of 2020.

The IMI2 JU Executive Director has set up the organisational structure of the JU and the internal control system enabling the performance of entrusted tasks and achievement of the programme objectives. The Programme Office applies a number of internal policies, operating procedures and guidance intended to carry out the internal operations correctly and consistently.

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<sup>1</sup> OJUE 07/06/2014 L 169/54.

<sup>2</sup> Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research & Innovation (2014-2020) & repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104).

<sup>3</sup> Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in 'Horizon 2020 — the Framework Programme for Research and Innovation (2014-2020)' and repealing Regulation (EC) No 1906/2006 (OJ L 347, 20.12.2013, p. 81).

## Financial framework

In accordance with the regulatory and legal provisions, the overall European Union financial contribution to the IMI2 JU, including EFTA appropriations, for the period 2014-2024 to cover administrative costs and operational costs shall be up to EUR 1 638 000 000. Of this:

- up to EUR 1.425 billion comes from the appropriations in the general budget of the European Union allocated to Horizon 2020 Specific Programme to match at least EUR 1.425 billion from EFPIA, or its constituent entities or their affiliated entities;
- up to EUR 213 million comes from the appropriations in the general budget of the European Union allocated to Horizon 2020 Specific Programme to match additional contributions from other IMI2 JU Members and Associated Partners.

EFPIA, its constituent or affiliated entities, and the IMI2 JU Associated Partners do not claim any European Union funding<sup>4</sup>, but contribute (in kind<sup>5</sup> and/or financially) to the IMI2 JU projects, for example with their researchers' time or access to research facilities or resources.

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<sup>4</sup> For precise reference to IMI2 JU rules on eligibility of funding, please refer to Article 1 of Commission Delegated Regulation (EU) No 622/2014 of 14 February 2014.

<sup>5</sup> This consists of the costs incurred by these entities in implementing the IMI2 JU projects and/or participating in IMI2 JU advisory groups.

## 2 Factsheet - IMI at a glance at the end of 2019

<b>Name</b>	<b>Innovative Medicines Initiative 2 Joint Undertaking (IMI2 JU)</b>
<b>Objectives</b>	<p>According to Article 2 of the <a href="#">Council Regulation</a> establishing IMI2 JU, the IMI2 Joint Undertaking shall have the following objectives:</p> <ul style="list-style-type: none"> <li>a) to support, in accordance with Article 25 of Regulation (EU) No 1291/2013, the development and implementation of pre-competitive research and of innovation activities of strategic importance to the Union's competitiveness and industrial leadership or to address specific societal challenges in particular as described in parts II and III of Annex I to Decision 2013/743/EU, and in particular the challenge to improve European citizens' health and well-being;</li> <li>b) to contribute to the objectives of the Joint Technology Initiative on Innovative Medicines, in particular to: <ul style="list-style-type: none"> <li>i. increase the success rate in clinical trials of priority medicines identified by the World Health Organisation;</li> <li>ii. where possible, reduce the time to reach clinical proof of concept in medicine development, such as for cancer, immunological, respiratory, neurological and neurodegenerative diseases;</li> <li>iii. develop new therapies for diseases for which there is a high unmet need, such as Alzheimer's disease and limited market incentives, such as antimicrobial resistance;</li> <li>iv. develop diagnostic and treatment biomarkers for diseases clearly linked to clinical relevance and approved by regulators;</li> <li>v. reduce the failure rate of vaccine candidates in phase III clinical trials through new biomarkers for initial efficacy and safety checks;</li> <li>vi. improve the current drug development process by providing support for the development of tools, standards and approaches to assess efficacy, safety and quality of regulated health products.</li> </ul> </li> </ul>
<b>Founding legal act</b>	<a href="#">Council Regulation (EU) No 557/2014</a> of 6 May 2014 establishing the Innovative Medicines Initiative 2 Joint Undertaking
<b>Executive Director</b>	Pierre Meulien
<b>Governing Board</b>	<p><b>Representatives of the European Commission (EC)</b></p> <p>Irene Norstedt, Director (acting) in the People Directorate of the Directorate-General for Research and Innovation</p> <p>Carlo Pettinelli, Director in the Consumer, Environmental and Health Technologies Directorate of the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs</p> <p>Andrzej Jan Rys, Director in the Health systems, medical products and innovation Directorate of the Directorate-General for Health and Food Safety</p> <p>Maria Pilar Aguar Fernandez, Head of Unit 'Health Innovations' in the People Directorate of the Directorate-General for Research and Innovation</p> <p>Barbara Kerstiëns, Head of Unit 'Combatting Diseases' in the People Directorate of the Directorate-General for Research and Innovation</p> <p><b>Representatives of the European Federation of Pharmaceutical Industries and Associations (EFPIA)</b></p> <p>Olivier Laureau, President of Servier group</p> <p>Nathalie Moll, Director General of EFPIA</p> <p>Salah-Dine Chibout, Global Head Discovery and Investigational Safety, Novartis, Chairman of the EFPIA Research and Innovation Strategy Working Group</p> <p>Jacky Vonderscher, CEO of Enyo Pharma S.A., member of the European Biopharmaceutical Enterprises Board</p> <p>Paul Stoffels, Chief Scientific Officer at Johnson &amp; Johnson, Worldwide Chairman of Janssen Pharmaceutical Companies of Johnson &amp; Johnson</p>

<b>Other bodies</b>	<p>States Representatives Group (SRG): 28 European Union (EU) Member States and 16 countries associated to the Horizon 2020 Framework Programme</p> <p>Scientific Committee: 13 members including ad hoc members</p> <p>Stakeholder Forum: 365 registrations in 2019</p> <p>Strategic Governing Groups (SGGs): 7 groups</p>
<b>Staff</b>	<p>Total posts: 56 (39 Temporary Agents, 15 Contract Agents, 2 Seconded National Experts)</p> <p>Posts filled: 53 (38 Temporary Agents, 14 Contract Agents, 1 Seconded National Expert)</p>
<b>2019 budget</b>	<p>Commitment appropriations: EUR 261 371 750</p> <p>Payment appropriations: EUR 231 316 906</p>
<b>2019 budget implementation</b>	<p>Commitment appropriations: EUR 259 212 582 (99.17 %)</p> <p>Payment appropriations: EUR 222 821 258 (96.33 %)</p>
<b>Grants</b>	<p>29 grants signed in 2019 for a total value of EUR 820 million</p>
<b>Call implementation in 2019</b>	<p>Calls launched: 3</p> <p>Proposals submitted under two-stage Calls:</p> <ul style="list-style-type: none"> <li>▪ Short proposals submitted: 36</li> <li>▪ Eligible proposals submitted: 36</li> <li>▪ Full proposals submitted: 15</li> <li>▪ Proposals selected for funding: 14</li> </ul> <p>Proposals submitted under single-stage Calls:</p> <ul style="list-style-type: none"> <li>▪ Proposals submitted: 5</li> <li>▪ Eligible proposals submitted: 5</li> <li>▪ Proposals selected for funding: 2</li> </ul> <p>Global project portfolio in 2019: 99 projects running during 2019 (16 under IMI1, of which 5 ended by 31 December 2019; and 83 under IMI2, of which 4 ended by 31 December 2019)</p>
<b>Participation</b>	<p>Beneficiaries receiving EU funding in IMI1 and IMI2 projects represent a range of different types of organisations, including universities, research organisations, small and medium-sized enterprises (SMEs) and patient organisations.</p>

### 3 Budgetary principles

As set out in the IMI2 JU Financial Rules, the budget of IM2 JU was established and implemented in accordance with the principles of unity, budget accuracy, annuality, equilibrium, unit of account, universality, specification, sound financial management and transparency.

### 4 Overview of the budget

#### 4.1 Initial budget, amending budgets and final budget

The total IMI budget for 2019 was EUR 261 371 750 in commitment appropriations (CA) and EUR 231 316 906 in payment appropriations (PA). The budget execution of the commitment appropriations and the payment appropriations reached 99.17 % and 96.33 % respectively.

The IMI budget is divided into three Titles:

- Title 1 covers staff expenditure such as salaries, training, costs associated with recruitment procedures, missions and staff well-being.
- Title 2 covers the costs associated with functioning of IMI such as renting of premises, IT needs, meetings, expenses related to external communication, expert fees and costs of ex-post audits.

Titles 1 and 2 together form the administrative expenditure.

- Title 3 covers IMI's operational activities (i.e. project expenditure).

The IMI2 JU Governing Board adopted the 2019 budget on 12 December 2018.

The Governing Board adopted the first budget amendment on 21 June 2019 in order to include the carry over amounts (EUR 12 599 206 commitment appropriations and EUR 30 943 429 payment appropriations) from the previous year. The first budget amendment also included the reduction of the European Union's contribution to operational commitment appropriations of EUR 139 100 891.

The Governing Board adopted the second budget amendment on 13 December 2019 in order to include the increase of financial contribution from Bill and Melinda Gates Foundation, an IMI2 JU Associated Partner, to operational activities, of EUR 2 142 862.

## Budget 2019 in EUR

REVENUE										
	Approved budget		Amending budget no 1		Amending budget no 2		Assigned revenue* <sup>6</sup>		Final budget	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
EC contribution (including EFTA contribution) to administrative and operational cost	267 722 662	190 575 842	-139 100 891						128 621 771	190 575 842
Appropriations carried over	114 341 000		12 599 206	30 943 429					126 940 206	30 943 429
EFPIA contribution to administrative costs	5 510 077	5 510 077							5 510 077	5 510 077
EFPIA constituent entities and affiliated entities contribution to operational costs		1 000 000							-	1 000 000
Associated Partners contribution to operational costs		845 000				2 142 862			-	2 987 862
Assigned revenue							299 696	299 696	299 696	299 696
<b>Total revenue</b>	<b>387 573 739</b>	<b>197 930 919</b>	<b>-126 501 685</b>	<b>30 943 429</b>	<b>-</b>	<b>2 142 862</b>	<b>299 696</b>	<b>299 696</b>	<b>261 371 750</b>	<b>231 316 906</b>

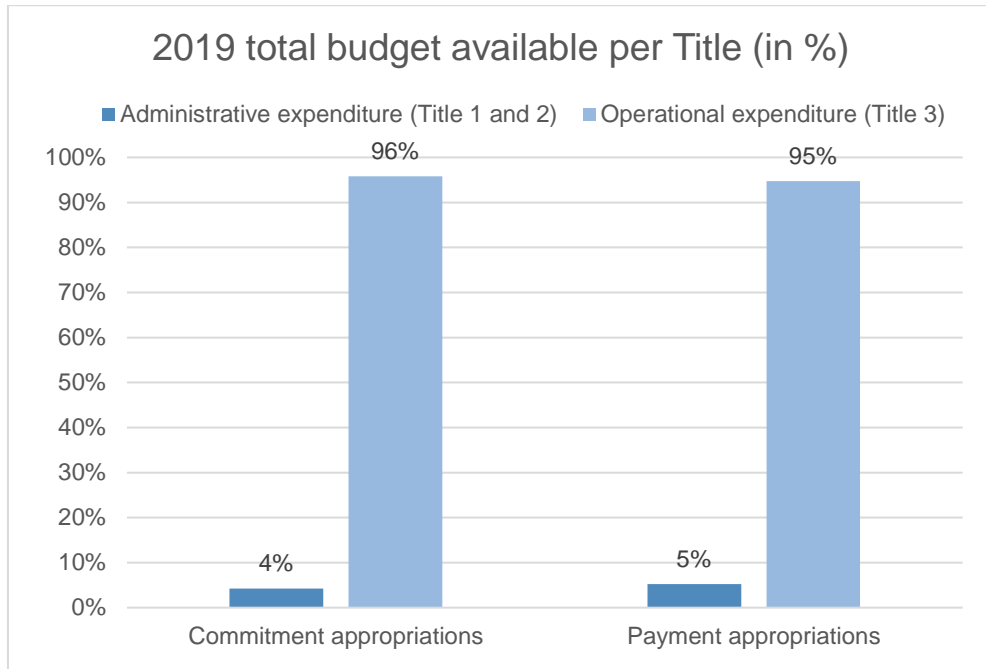
<sup>6</sup> \*The assigned revenue shows the amounts recovered during the year from suppliers and projects.



## EXPENDITURE

	Approved budget		Amending budget no 1		Amending budget no 2		Assigned revenue*		Final budget	
	CA	PA	CA	PA	CA	PA	CA	PA	CA	PA
Title 1	6 330 000	6 330 000	-	54 019	-	-	913	913	6 330 913	6 384 932
Title 2	4 690 154	4 690 154	-	1 059 611	-	-	49 029	49 029	4 739 183	5 798 794
Title 3	376 553 585	186 910 765	-126 501 685	29 829 799	-	2 142 862	249 755	249 755	250 301 655	219 133 181
<b>Total expenditure</b>	<b>387 573 739</b>	<b>197 930 919</b>	<b>-126 501 685</b>	<b>30 943 429</b>	<b>-</b>	<b>2 142 862</b>	<b>299 696</b>	<b>299 696</b>	<b>261 371 750</b>	<b>231 316 906</b>

The graph below shows the total 2019 budget available per Title in %.



## 4.2 Budget transfers

In 2019, there were no budget transfers between titles. Budget transfers between chapters were authorised in 2019, which led to the following changes in commitment appropriations:

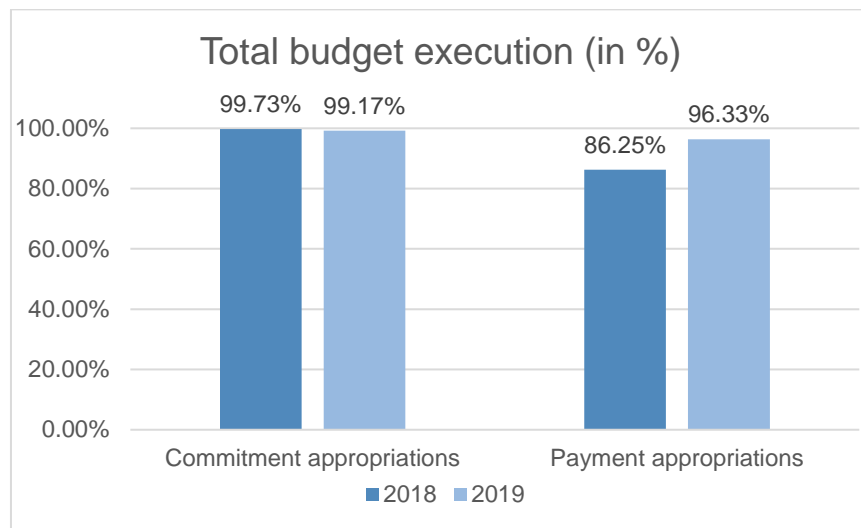
Chapter		Budget adopted (EUR) Commitment Appropriations	Budget transfer (EUR) Commitment Appropriations	Budget after transfers (EUR) Commitment Appropriations
11	Staff in active employment	5 740 000	-138 200	5 601 800
12	Staff recruitments - miscellaneous expenditure	20 000	7 000	27 000
13	Missions and duty travels	190 000	-	190 000
14	Socio-medical structure	360 000	-21 944	338 056
15	External staff services	-	153 144	153 144
17	Representation	20 000	-	20 000
20	Rent and related expenditures	756 000	-6 425	749 575
21	Information technology (hardware and software)	779 000	250 000	1 029 000
22	Office equipment	153 000	-148 000	5 000
23	Current administrative expenditure	123 000	49 815	172 815
24	Telecommunication and postal expenses	78 000	-20 990	57 010
25	Formal meetings	158 000	27 000	185 000
26	Administrative expenditure in connection with operational activities	388 154	4 000	392 154
27	External communication, information and publicity	625 000	-	625 000
28	Service contracts	730 000	-160 197	569 803
29	Expert contracts and cost of evaluations	900 000	4 797	904 797

### 4.3 Budget implementation

The table below shows the execution of the 2019 budget per Title in absolute amounts.

2019 final budget execution per title in EUR						
Title	Commitment appropriations	Execution	%	Payment appropriations	Execution	%
Title 1	6 330 913	5 495 647	86.81%	6 384 932	5 404 478	84.64%
Title 2	4 739 183	3 811 720	80.43%	5 798 794	2 821 004	48.65%
<i>Subtotal administrative expenditure</i>	<i>11 070 095</i>	<i>9 307 367</i>	<i>84.08%</i>	<i>12 183 725</i>	<i>8 225 482</i>	<i>67.51%</i>
Title 3	250 301 655	249 905 215	99.84%	219 133 181	214 595 775	97.93%
<b>Total (Title1, 2 and 3)</b>	<b>261 371 750</b>	<b>259 212 582</b>	<b>99.17%</b>	<b>231 316 906</b>	<b>222 821 258</b>	<b>96.33%</b>

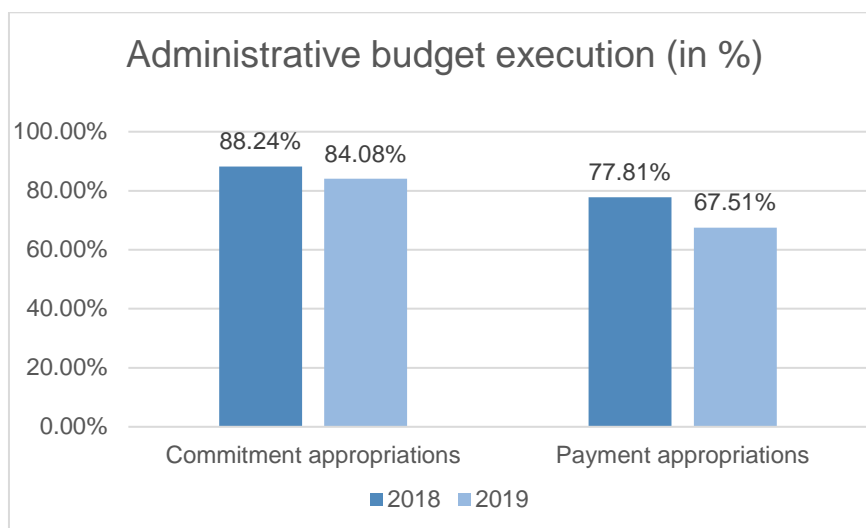
The graph below shows the 2019 total budget execution compared with 2018.



### 4.3.1 Administrative expenditure (Title 1 and Title 2)

Regarding administrative expenditure, the budget execution of the commitment and payment appropriations was 84.08 %, respectively 67.51 %.

The graphs below show the 2019 budget execution for administrative costs (staff and infrastructure) compared with 2018.



The EC part of unused appropriations for administrative costs will be made available for operational activities in the 2020 budget – see section 4.3.3 for details.

The budget execution for administrative commitment appropriations reached 84%, comparable with the previous year. The budget execution for administrative payment appropriations reached 67.5%, lower than in 2018. The difference was largely due to the carry forward amounts of the administrative commitments. The amount carried forward at the end of 2019 to 2020 was EUR 2 074 898, compared with EUR 1 113 630 at the end of 2018. Several contracts were signed towards the year-end, thus no payments were due in 2019. At the same time, several services will be invoiced in 2020 due to contractual timelines.

### 4.3.2 Operational expenditure (Title 3)

The total operational budget approved for 2019 was EUR 250.3 million in commitment appropriations (CA) and EUR 219.1 million in payment appropriations (PA). In 2019, the operational commitment and payment appropriations reached a level of 99.84 % and 97.93 % respectively.

The commitment appropriations related to H2020 were consumed by Grant Agreements implementing IMI2 – Calls for proposals 13, 14, 15 and 16, and by launching IMI2 - Calls for proposals 17, 18 and 19.

The payment appropriations related to H2020 were mainly used by pre-financing for projects of IMI2 - Calls 13, 14, 15 and 16 and by intermediate payments for projects of IMI2 – Calls 1-11.

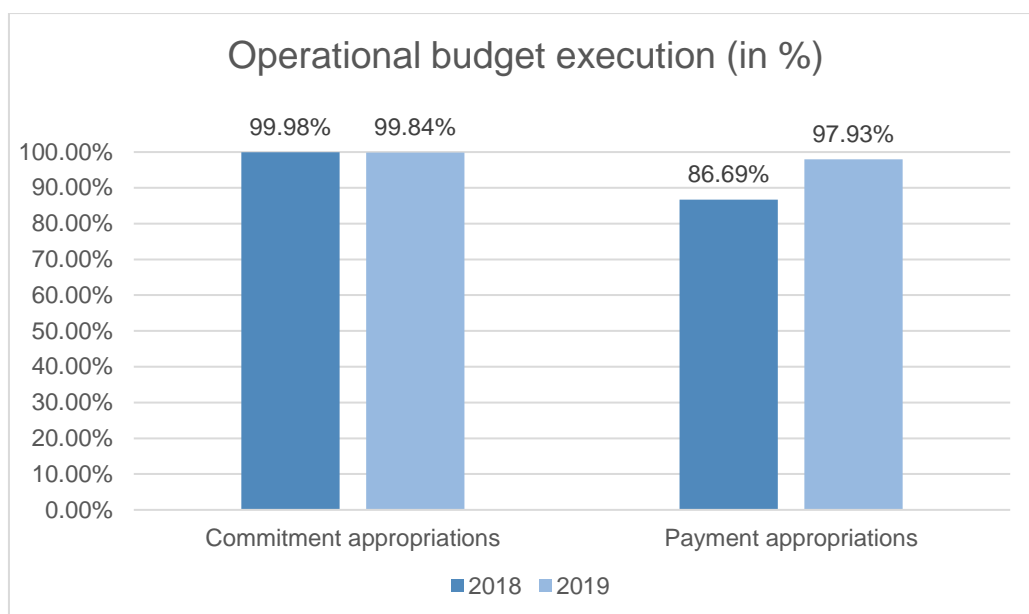
The payment appropriations related to FP7 were mainly used by payments for periodic or final reports for projects of IMI1 – Calls 3-11.

On operational commitment appropriations, IMI2 JU has fully executed its annual budget (99.84 %).

As regards operational payment appropriations, execution reached 97.93 %. This is a significant increase and a rising trend in the absorption of operational payment appropriations in comparison to the previous years (86.69% in 2018, 71.96 % in 2017 and 69.39 % in 2016). This result is due to continuous actions taken in the budgetary planning and monitoring process:

- A fixed schedule of two fixed Call launch dates per year has been set out so as to ensure better operational planning of tasks and related financial transactions.
- IMI prepared a very detailed forecast and the claim for new payment appropriations (C1 credits) was aligned up front in order to integrate into the total budget envelope the carryover estimates between 2018 and 2019.

The graph below shows the 2019 operational budget execution compared with 2018.



The tables below indicate the operational budget execution (Title 3) per programme.

	Execution of commitment appropriations in EUR		
	Appropriations	Execution	%
<i>IMI1 (FP7) *</i>	128 102	101 114	78.93%
<i>IMI2 (H2020)</i>	250 173 552	249 804 102	99.85%
<b>Title 3 implementing the research agenda of IMI</b>	<b>250 301 654</b>	<b>249 905 215</b>	<b>99.84%</b>

\*IMI1 (FP7) appropriations - amount recovered during 2019 from projects (assigned revenue)

	Execution of payment appropriations in EUR		
	Appropriations	Execution	%
<i>IMI1 (FP7)</i>	42 459 735	41 182 547	96.99%
<i>IMI2 (H2020)</i>	176 673 446	173 413 228	98.15%
<b>Title 3 implementing the research agenda of IMI</b>	<b>219 133 181</b>	<b>214 595 775</b>	<b>97.93%</b>

In the table below, the commitments carried forward from 2018 to 2019 include the amounts committed at the launch of Calls and the amounts committed based on Grant Agreements concluded.

The commitments related to Calls launched are consumed by the commitments based on the Grant Agreements concluded. Based on the N+3 rule set out in the IMI2 Financial Rules, the unused commitment appropriations in 2019 were carried over to the 2020 budget.

The table below shows the summary of commitments outstanding for operational expenditure per programme at the end of 2019.

Commitments carried forward from previous year 2018	Commitment appropriations in EUR				
	Carry forward	Commitments made during 2019	De-commitments	Payments	Commitments outstanding at end 2019
IMI1 (FP7)	187 350 906	101 114		41 182 547	146 269 472
IMI2 (H2020)	664 306 892	249 804 102	-18 031 017	173 413 228	722 666 748
<b>Total Title 3</b>	<b>851 657 798</b>	<b>249 905 215</b>	<b>-18 031 017</b>	<b>214 595 775</b>	<b>868 936 220</b>

#### 4.3.3 Overview of the carry over appropriations to 2020

The N+3 rule for the PPP bodies states that the unused appropriations may be entered in the estimate of revenue and expenditure of up to the following three financial years, subject to Governing Board approval. IMI reactivated in the 2020 budget the unused commitment and payment appropriations from 2019.

- Unused commitment appropriations of EUR 14 938 020, consisting of:
  - EUR 941 673, corresponding to unused administrative commitment appropriations.
  - EUR 13 996 347, corresponding to unused operational commitment appropriations.
- Unused payment appropriations of EUR 6 612 304, consisting of:
  - EUR 2 074 898, corresponding to the amount of administrative commitments carried forward from the 2019 to the 2020 budget.
  - EUR 4 537 406 corresponding to unused operational payment appropriations.

Carry over appropriations from 2019 to 2020 budget	Commitment appropriation (EUR)	Payment appropriation (EUR)
Unused appropriations (operational and administrative)	14 938 020	6 612 304

## 5 IMI2 JU programme

### Multiannual budget execution as at 31.12.2019 (ongoing projects/Calls)

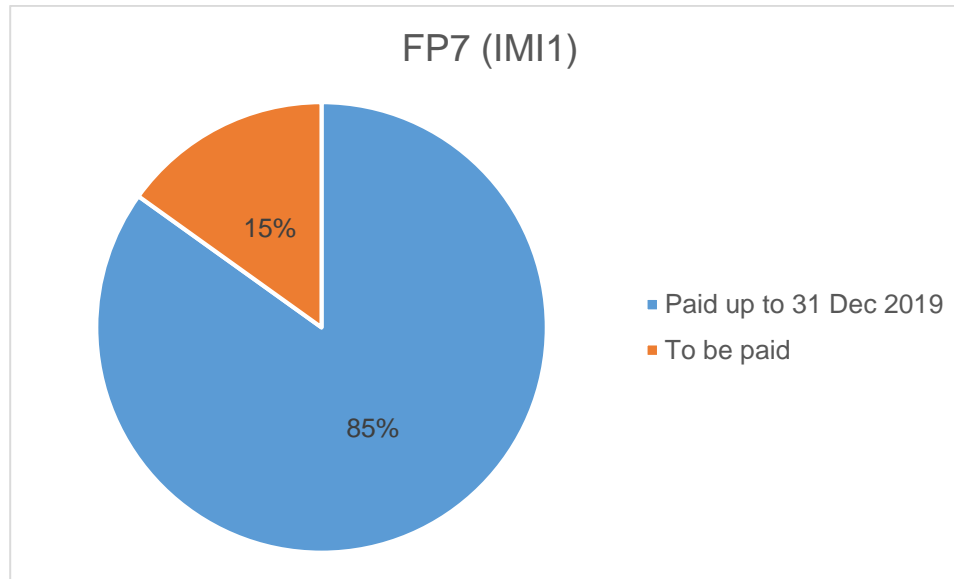
The table below outlines the breakdown per Call of EU committed funds for IMI1 (FP7) and the remaining obligation under signed grant agreements per Call.

FP7 (IMI1)	EUR '000								
	Committed (budget)	Paid 2009-2014	Paid 2015	Paid 2016	Paid 2017	Paid 2018	Paid 2019	Total paid up to 31/12/2019	Remains to be paid
Call 1	116 082	105 260	2 361	5 025	1 633	277	51	114 607	1 475
Call 2	85 765	70 223	6 442	2 075	6 060	213	204	85 216	549
Call 3	112 840	65 708	13 536	21 256	2 842	5 177	1 876	110 395	2 445
Call 4	97 944	52 620	7 913	23 083	4 560	5 024	3 968	97 168	776
Call 5	79 999	31 622	15 214	17 184	7 991	7 344	-	79 355	644
Call 6	125 417	54 983	8 679	10 456	532	7 809	4 110	86 568	38 849
Call 7	13 000	6 601	3 013	1 074	958	54	-	11 700	1 300
Call 8	98 733	13 754	8 111	11 769	15 911	10 298	12 879	72 722	26 011
Call 9	56 441	12 249	9 036	6 535	7 108	2 382	5 702	43 012	13 429
Call 10	6 100	(0)	1 952	638	841	1 000	987	5 418	682
Call 11	173 410	36 401	12 305	10 752	23 585	19 309	11 350	113 702	59 708
<b>Total FP7 (IMI1)</b>	<b>965 731</b>	<b>449 419</b>	<b>88 562</b>	<b>109 847</b>	<b>72 021</b>	<b>58 887</b>	<b>41 127</b>	<b>819 863</b>	<b>145 868</b>

At the end of 2019, 85% of the commitment appropriations had been paid out. The outstanding operational payments will be made by the end of 2024 when the last IMI1 (FP7) projects conclude their activities.



The graph below shows the percentage of what has been paid and what remains to be paid out of committed funds for IMI1 (FP7).

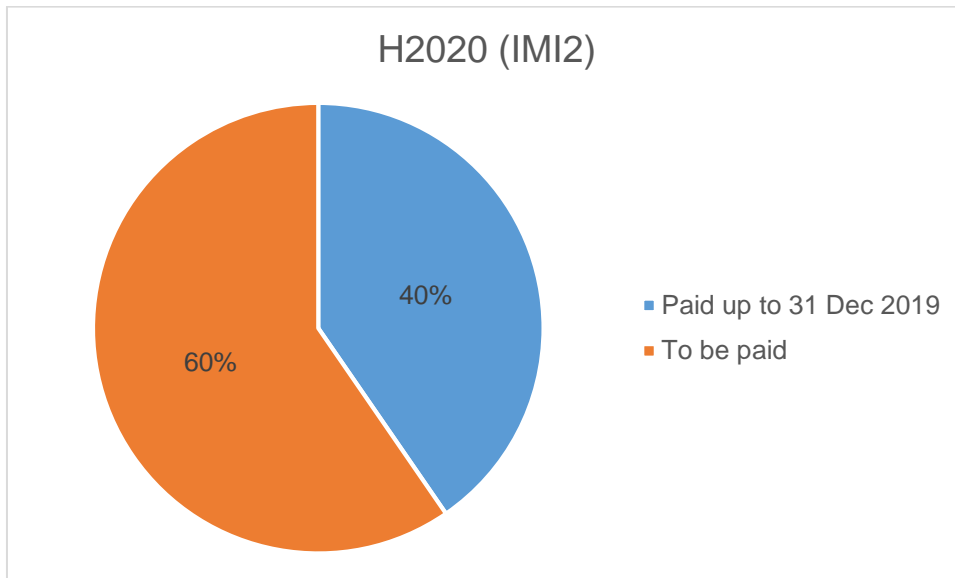


The table below outlines the breakdown per Call of EU committed funds for IMI2 (H2020)

H2020 (IMI2)	Committed	Paid 2015	Paid 2016	Paid 2017	Paid 2018	Paid 2019	Total paid up to 31/12/2019	Remains to be paid
Call 1	17 630	2 519		3 109	2 887	3 063	11 578	6 052
Call 2	114 090	39 833	13 037	16 756	16 962	15 246	101 834	12 256
Call 3*	56 060	2 693	19 060	6 352	7 750	11 710	47 565	8 495
Call 4	1 130	904		113	61		1 078	52
Call 5	47 477		16 377		5 275	6 457	28 109	19 368
Call 6*	46 696		16 862		4 900	6 704	28 466	18 230
Call 7	46 795			17 073	3 902	7 746	28 721	18 074
Call 8	47 462			5 072	10 828	2 382	18 282	29 180
Call 9*	57 606			19 886	1 716	7 286	28 888	28 718
Call 10	173 874				56 576	10 556	67 132	106 742
Call 11	3 284				2 627	212	2 839	445
Call 12	64 052				21 953		21 953	42 099
Call 13	114 152					33 177	33 177	80 975
Call 14	82 310					24 521	24 521	57 789
Call 15	165 608					33 582	33 582	132 026
Call 16	35 184					10 772	10 772	24 412
Call 17	40 786						-	40 786
Call 18	74 866						-	74 866
Call 19	20 000						-	20 000
<b>Total H2020 (IMI2)</b>	<b>1 209 062</b>	<b>45 949</b>	<b>65 336</b>	<b>68 361</b>	<b>135 437</b>	<b>173 413</b>	<b>488 496</b>	<b>720 566</b>

\* The IMI2 Call 3 commitment includes a financial contribution from the Bill and Melinda Gates Foundation (BMGF), an IMI2 Associated Partner. The commitments for IMI2 Calls 6 and 9 include a financial contribution from EFPIA companies.

The graph below shows the percentage of what has been paid and what remains to be paid out of committed funds for IMI2 (H2020).



The EU has committed to contribute EUR 1.638 billion from H2020 to the IMI2 programme.

The part of IMI2 JU budget (in commitments) for administrative costs is EUR 85.2 million, shared equally between EC and EFPIA.

The IMI2 JU budget (in commitments) for operational costs is EUR 1.595 billion.

At the end of 2019, 75.8 % of the operational IMI2 JU budget in commitments had been committed (EUR 1.209 billion out of EUR 1.595 billion).

## 6 Revenue

According to the Financial Rules of IMI2 JU, revenues are funds made available to the Joint Undertaking by different sources to cover administrative and operating expenditure for a year and form part of the annual budget.

The table below outlines the breakdown of the revenues received in 2019 and up to 31 December 2019.

	EC contribution EUR	EFPIA and EFPIA constituent entities or affiliated entities contribution EUR	Associated Partners EUR
<b>FP7</b>			
ADMINISTRATIVE in 2019	-	-	-
ADMINISTRATIVE UP TO 31/12/2019	34,366,451	21,898,055	-
OPERATIONAL in 2019	8,700,000	-	-
OPERATIONAL UP TO 31/12/2019	890,387,564	-	-
<b>H2020</b>			
ADMINISTRATIVE in 2019	5,510,077	3,694,921	-
ADMINISTRATIVE UP TO 31/12/2019	14,346,877	12,354,391	-
OPERATIONAL in 2019	176,365,765	1,000,000	2,993,846
OPERATIONAL UP TO 31/12/2019	409,395,745	3,200,000*	5,662,442**

\* financial contribution of four EFPIA companies to IMI for the DRIVE project and financial contribution of one EFPIA company to IMI for the HARMONY project.

\*\* financial contribution from the Bill and Melinda Gates Foundation (BMGF), an IMI2 Associated Partner, to the PERISCOPE project.

Sources of Revenue in EUR in 2019	Budgeted	Cashed
EC contribution to running costs and operational costs	190,575,842	190,575,842
EFPIA contribution to running costs	5,510,077	3,694,921
EFPIA and EFPIA constituent entities or affiliates contributions to operational costs	1,000,000	1,000,000
Associated Partners contribution to operational costs	2,987,862	2,993,846*

\*due to exchange rate

The administrative costs are covered through financial contributions divided equally (50% - 50%) between the European Commission and EFPIA in the budget.

The difference between the budgeted and cashed contribution from EFPIA comes from the fact that EFPIA reimburses real administrative costs incurred in a given year rather than paying based on the budgeted amounts. The balance is settled in the following year.

If part of the EC contribution is not used, it may be made available for Research Activities.

EFPIA constituent entities or their affiliated entities as well as IMI2 JU Associated Partners contribute to operational costs.

The total amount of the unused administrative costs of European Union's contribution during 2009 - 2018 has been transferred to operational costs for a total amount of EUR 13 322 167. This results in an EC contribution to administrative costs of EUR 35 391 161 (EUR 34 366 451 +EUR 14 346 877 -EUR 13 322 167).

The amount of EUR 1 138 715 of EFPIA balance cash contribution related to 2019 is not included in 2019 cashed contribution as the recovery order was issued in 2020. This results in an EFPIA contribution to administrative costs of EUR 35 391 161 (EUR 21 898 055 +EUR 12 354 391 +EUR 1 138 715), at the same level with European Union contribution.

