

Industries contribution to IMI projects

Your questions answered



How is IMI funded?

The Innovative Medicines Initiative (IMI) is a Joint Undertaking (JU) between the European Union (EU), represented by the European Commission, and the European Federation of Pharmaceutical Industries and Associations (EFPIA). This partnership element between the EU and industry is essential to explaining how IMI is funded.

From 2008-2013, the IMI1 programme had a total budget of €2 billion, of which the EU and EFPIA contributed €1bn each. The total budget for the IMI2 programme is €3.276 billion for the period 2014-2024. Of this, the EU will contribute up to €1.638 billion from Horizon 2020, the EU research and innovation framework programme. EFPIA is committed to contribute €1.425 billion of in-kind contributions to IMI2 (from EFPIA's own resources). Other life science industries or organisations, including the Gates Foundation and JDRF, furthermore contribute up to €213 million, should they decide to join IMI 2 as Associated Partners in individual projects.



What % of H2020 funding is dedicated to IMI projects?

The total budget of Horizon 2020 is nearly €80 billion. The EU will contribute up to €1.638 billion to IMI2, representing just over 2% of the Horizon 2020 budget.

In addition, industry will offer at least the same amount through contributions. This means that every euro invested in IMI by European taxpayers leverages an additional euro of investment by the pharmaceutical sector. Industry investment is either in kind or a cash contribution.

Is industry receiving funding from IMI?

No. In general, pharmaceutical companies are not eligible to receive EU financial support. Eligibility for funding is, for the most part, restricted to public partners, such as universities, research organisations, public bodies, patient organisations, and also to small and medium-sized enterprises (with up to 500 million EUR turnover in IMI2) established in an EU Member State or country associated to Horizon 2020.

How does industry contribute to IMI?

EFPIA member companies have committed €1 billion to IMI and €1.425 billion to IMI2 in the form of in-kind and cash contributions. These contributions are mostly in the form of: personnel; other direct costs (consumables, equipment depreciation, samples, data, compounds etc.); subcontracting (e.g. for clinical trials); or financial contributions from an EFPIA company to another participant within the same project/consortium, where appropriate).

What does in-kind contribution mean?

Costs incurred implementing the project by EFPIA member companies are considered to be “in-kind” or cash contributions to an IMI project.

These ‘In-kind’ contributions mostly take the form of:

- * Personnel - the time of staff employed by EFPIA companies working directly on IMI projects.
- * This is important because IMI’s success is based on the way it brings together the expertise of people working in pharmaceutical companies with the expertise found in the public participants, like universities, SMEs, and patient groups;
- * Personnel from companies are e.g.: senior scientists with various competence, skills and expertise, eg pre-clinical scientists, toxicologists, pharmacokinetics, clinical researchers, physicians, epidemiologists, etc but also scientific coordination of project teams, , statisticians, , Information scientists, setting up analysis plans, platform development, communication activities.
- * Other direct costs – eg. consumables, equipment depreciation, samples, compounds;
- * Subcontracting - e.g. for clinical trials such as Clinical Research Organisations, subcontracting data management companies, lab services, project management support, etc.;
- * A financial contribution - from an EFPIA company to an academic institution within the same project/consortium. This financial contribution is used by the academics to hire researchers or post-docs during the lifetime of the IMI project, or to buy consumables or equipment.

Are companies’ contributions audited / who audits companies’ contributions?

As a first step, the proposed total budget of the IMI project – consisting of contributions from EFPIA companies and Associated Partners (under IMI2), and proposed public funding to public partners – is reviewed before the project starts. This takes the form of an evaluation by independent experts of the full project proposals. The aim is to assess whether the budget which has been proposed is in line with the work set to be undertaken in the project.

Once a project is underway, EFPIA companies’ contributions (claimed costs) must be declared on an annual basis, in the same way as cost claims made by public partners (beneficiaries receiving EU funding). Independent external auditors verify that the claimed costs are correct by providing a signed Certificate on the Financial Statements. The annual declarations (the Financial Statements) of the contributions by companies are carefully scrutinised by the IMI Programme Office before they are accepted. Also the submitted certificates from the external auditors are scrutinised by the IMI Office.

In addition, IMI may perform audits of companies, in order to assess the valuation method if the external auditors’ report identifies gaps.

The IMI Governing Board receives regular updates from the IMI Office on the reported actual in-kind contributions provided to projects.

These contributions are also reported in a transparent manner in the annual accounts of IMI and in the IMI Annual Activity Reports, which are published online. The annual accounts, including the in-kind contributions, are since 2015 prepared by European Commission services acting as IMI JU’s accounting officer, and scrutinised by the European Court of Auditors and are subject to an opinion by the IMI Governing Board.