

This project is co-funded by the European Union  
and the Republic of Türkiye



Technical Assistance for Turkey in Horizon 2020 Phase-II  
EuropeAid/139098/IH/SER/TR

# Legal & Financial Guide for Horizon Europe Projects



Ankara, March 2023



REPUBLIC OF TÜRKİYE  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY







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## Document Information Sheet

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## List of Abbreviations

<b>AI</b>	Artificial Intelligence	<b>MSCA</b>	Marie Skłodowska-Curie Actions
<b>APRE</b>	Agency for Promotion of European Research	<b>NAC</b>	National Aid Coordinator
<b>CA</b>	Consortium Agreement	<b>NCO</b>	National Coordination Office
<b>CCI</b>	Cross Cutting Issues	<b>NCP</b>	National Contact Point
<b>CoF</b>	Cities of the Future	<b>NIS</b>	National Innovation System
<b>D</b>	Deliverable	<b>NKE</b>	Non-Key Expert
<b>EBN</b>	European Business Innovation Centres Network	<b>OP</b>	Operational Programme
<b>EC</b>	European Commission	<b>PCM</b>	Project Cycle Management
<b>ECSEL</b>	Electronic Components and Systems for European Leadership JU	<b>PMU</b>	Project Management Unit
<b>EIC</b>	European Innovation Council	<b>PO</b>	Project Officer
<b>ERA</b>	European Research Area	<b>QA</b>	Quality Assurance
<b>ERC</b>	European Research Council	<b>R&amp;D</b>	Research and Development
<b>EU</b>	European Union	<b>R&amp;I</b>	Research and Innovation
<b>EUD</b>	Delegation of the European Union to Türkiye	<b>RTD</b>	Research and Technological Development
<b>F&amp;T OP</b>	Funding & Tender Opportunities Portal	<b>SC</b>	Steering Committee
<b>FA</b>	Financial Agreement	<b>SCST</b>	Supreme Council of Science and Technology
<b>FP</b>	Framework Programme	<b>SMEI</b>	SME Instrument
<b>GA</b>	Grant Agreement	<b>SMEs</b>	Small and Medium Sized Enterprises
<b>H2020</b>	Horizon 2020	<b>SPO</b>	Senior Programme Officer
<b>HE</b>	Horizon Europe	<b>SRER</b>	Senior Representative of the End Recipient of Assistance
<b>ICT</b>	Information and Communications Technology	<b>TA</b>	Technical Assistance
<b>IDI</b>	International Development Ireland	<b>TARAL</b>	Turkish Research Area
<b>IMI</b>	Innovative Medicine Initiative	<b>TAT</b>	Technical Assistance Team
<b>IMS</b>	Information Multipliers System	<b>TC</b>	Training Centre
<b>IPA</b>	Instrument for Pre-accession Assistance	<b>TEYDEB</b>	Technology and Innovation Funding Programmes Directorate
<b>IPR</b>	Intellectual Property Rights	<b>ToR</b>	Terms of Reference
<b>JPI</b>	Joint Programming Initiative	<b>TTO</b>	Technology Transfer Office
<b>KE</b>	Key Expert	<b>TUBITAK</b>	The Scientific and Technological Research Council of Türkiye
<b>MoIT</b>	Ministry of Industry and Technology	<b>ZSI</b>	The Centre for Social Innovation



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# Executive Summary



This guide was prepared as a reference document to support Turkish researchers and potential participants of Horizon Europe framework programme. It is structured in 6 chapters from an overview of Horizon Europe to the call preparation, project implementation and closure of the project. The chapters and the sections are organised in order to provide a roadmap for a potential participant.

1. **Introduction to Horizon Europe:** to explain the thematic areas, the key novelties and how the programme works.
2. **Horizon Europe Regulatory Framework:** to lay down the HE regulatory framework, the eligibility requirements, the administrative issues and the conditions for participation.
3. **Proposal Preparation:** From Call to Proposal Submission with the key legal and financial issues that you need to consider, how to prepare your budget and estimate your contribution to the project.
4. **From Proposal to Project:** Invitation to a Grant. What happens when your proposal is successful and you are finally invited to implement a project.
5. **Project Implementation:** Grant Management, financial management and financial modalities relevant to Türkiye.
6. **Project Closure and Beyond:** What you should know after the completion of the project.
  - The guide is by no means all inclusive, however it covers the most common and popular situations that you will encounter 80% of your time.
  - Remember that this guide provides only instructions and **should not be used as a legal document**. For specific legal provisions, please check relevant legal documents published by the funding authority in the Reference section of the Funding & Tender Opportunities Portal.
  - Türkiye in Horizon 2020 Phase II project has put in place a dedicated helpdesk devoted to help Turkish participants in the preparation of successful proposal to the Horizon Europe programme. You can visit our helpdesk (<https://th2020.zendesk.com>) and get access to a large amount of training material, guides and presentations.

# 1. INTRODUCTION TO HORIZON EUROPE

## 1.1. Thematic Areas, Work Programmes and Actions

### 1.1.1. The Purpose of This Guide

The purpose of this guide is to provide the reader with a good explanation of the Legal and Financial aspects potential participants in **Horizon Europe** projects may face. The guide is neither exhaustive nor conclusive. It attempts to provide a good starting point offering as much detail as possible and plenty of links to sources where you can get further information. You may also find additional information in the TH2020 helpdesk library by accessing through the [link](#).

The training materials developed and presented through our Legal and Financial workshops, all accessible in the helpdesk training library, can be used in parallel with this guide as it is also covering further aspects of Horizon Europe like IPR, Ethics and Security.

According to the EC (European Commission) **Horizon Europe** is “the EU’s key funding programme for research and innovation with €95 billions of funding available over 7 years (2021 to 2027) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries, and world-firsts by taking great ideas from the lab to the market. Horizon Europe is the financial instrument implementing the Innovation Union, a Europe flagship initiative aimed at securing Europe’s global competitiveness.”

### 1.1.2. The Structure of Horizon Europe

Horizon Europe is an excellent tool for all kinds of organisations (public and private) and especially SMEs to realise their research and innovation ideas and access grants otherwise unreachable by them. HE is structured **under 3 pillars and several priorities** offering different funding schemes.

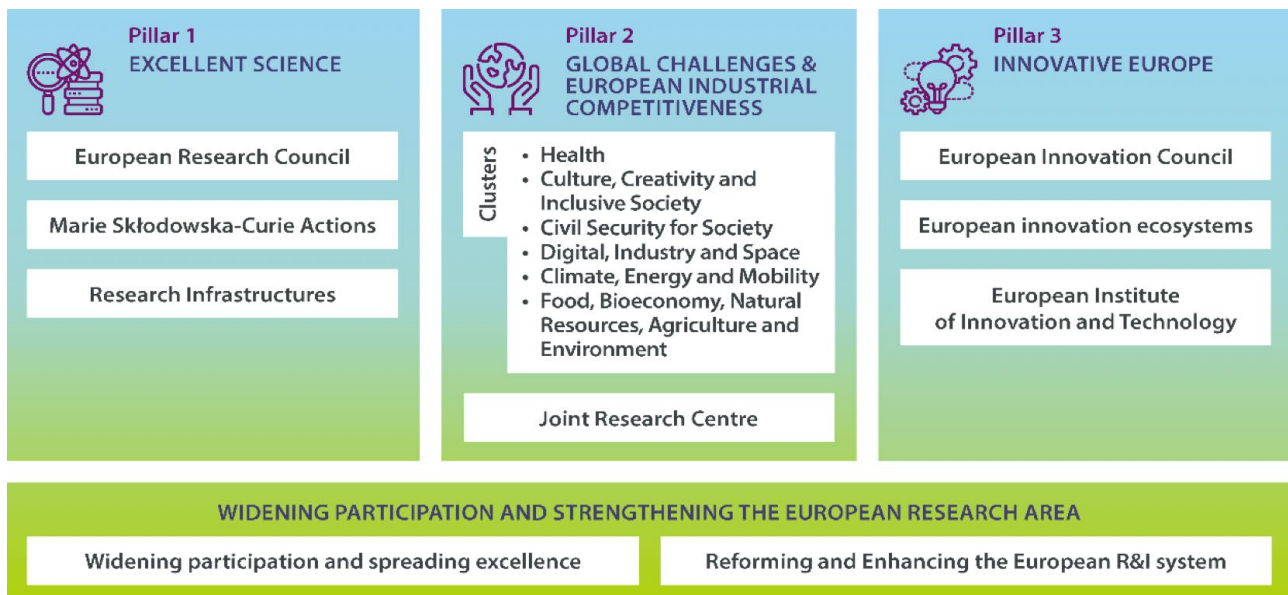


Figure 1: Horizon Europe Pillars and sections

HE is structured under 3 Pillars and one horizontal area (WIDENING). Every pillar focuses on a number of priorities and has a different target: Science and Research, Challenges, Innovation, Widening participation.

*The best starting point to learn more about Horizon Europe is the [Funding and Tender portal](#).*

*You do not have to become an expert in all sections to benefit from the programme, but you need to have a good understanding on where you should focus your efforts. You can explore the programme’s sections [here](#).*

The screenshot displays the 'Funding & tender opportunities' portal. On the left, there's a search sidebar with filters for keywords, submission status (Forthcoming: 62, Open for submission: 210, Closed: 838), programming period, mission, and destination. The main area shows a list of funding opportunities under the heading 'Funding and tenders (1110)'. The list includes entries like 'Hop On Facility', 'ERC PROOF OF CONCEPT GRANTS2', 'EIC Transition Challenge: RNA-based therapies and diagnostics for complex or rare genetic diseases', and 'EIC Transition Open 2022'. Each entry provides details such as the programme, type of action, opening date, status, deadline model, and next deadline.

Figure 2: The Funding and Tender Portal, Search Funding & Tenders Option

### 1.1.3. The Programme: Objectives, Budget, and Process

All the activities of Horizon Programme are in line with the **priorities of European Union** and are reflected to the vision of Horizon Europe to create *a sustainable, fair, and prosperous future for people and planet based on European values*.

- Tackling climate change (with a commitment of at least 35 % budgetary target)
- Helping to achieve Sustainable Development Goals
- Boosting the Union's competitiveness and growth<sup>1</sup>

In order to deliver in the EU priorities, the EC prepared the first **Horizon Europe** strategic plan

that defines the strategic orientations for Europe's R&I investments over the period 2021-2024. The strategic plan sets out **four key strategic orientations** and defines in detail the expected outputs and impacts of the programme. All projects should aim at contributing to the achievement of these outputs and the maximisation of the relevant impacts.

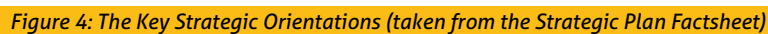
Since the Strategic Plan is a strategy and policy document, it does not contain the specific actions and calls that will be published under Horizon EU. These are presented in detail along with timelines and the available budget in the Work Programmes. These are **multiannual** (published in/for every 2 years) and cover each specific area under every pillar and the horizontal programmes.



Figure 3: the path from EU policy priorities to Destinations and actions

<sup>1</sup> No explicit % committed for SDG and competitiveness and growth, however it is clear that proposals should aim at contributing to all 3 targets if possible.

The budget is distributed according to the EU priorities:



or **Multi Annual Financial Framework for 2021-2027**. This budget is the biggest budget of the EU so far reaching €1.8 trillion and aims to rebuild a greener, more digital, and more resilient Europe. To support EU recovery a temporary recovery instrument has also been introduced.



1. Single Market, innovation and digital
  - Horizon Europe | Invest EU
  - Digital Europe | Space programme
  - Connecting Europe
2. Cohesion, resilience and values
  - Cohesion Policy funds (ERDF, ESF, CF)
  - rescEU – Civil Protection
  - Health Programme | EU4Health | Interreg
  - Erasmus+ | Creative Europe | European Urban Initiative
3. Natural Resources and Environment
  - CAP | Just Transition | EAFRD | EMFF | LIFE
4. Migration and Border control
  - Asylum and Migration Fund
5. Security and Defense
  - European Defense Fund | Internal Security Fund
6. Neighbourhood and the world
  - Neighbourhood Instrument
  - Development & International Cooperation
  - Humanitarian Aid Instrument
7. Public Administration

The budget is distributed according to the EU priorities:

More than 50% targeted to R&I, digitisation, climate health, recovery, resilience.

### 30% of budget for Climate Change

## 1.2. Key Novelties of Horizon Europe

Compared to Horizon 2020 it has some significant differences with new initiatives and components. Let's summarise the **key novelties of Horizon Europe** in the following table.

<b>European Innovation Council</b>	<p>Instruments <b>bridging the gap from idea to market</b>. Support to innovations with breakthrough and disruptive nature and scale up potential that are too risky for private investors (70% of the budget earmarked for SMEs).</p> <p>Helping researchers and innovators create markets of the future, leverage private finance, scale up their companies.</p> <p>Innovation centric, risk taking &amp; agile, proactive management and follow up.</p> <p>Mostly 'bottom up', but also targeting strategic challenges.</p> <p>EIC Programme Managers to develop visions for breakthroughs and steer portfolios.</p>
<b>EU Missions</b>	<p>A Mission is a portfolio of actions across disciplines intended to achieve a bold and inspirational and measurable goal within a set timeframe, with impact for society and policy making as well as relevance for a significant part of the European population and wide range of European citizens.</p> <p>There are 5 R&amp;I Missions introduced in HE:</p> <p><b>Adaptation to Climate Change:</b> support at least 150 European regions and communities to become climate resilient by 2030.</p> <p><b>Cancer:</b> working with 'Europe's Beating Cancer Plan' to improve the lives of more than 3 million people by 2030 through prevention, cure, and solutions to live longer and better.</p> <p><b>Restore our Ocean and Waters by 2030.</b></p> <p><b>100 Climate-Neutral and Smart Cities by 2030.</b></p> <p><b>A Soil Deal for Europe:</b> 100 living labs and lighthouses to lead the transition towards healthy soils by 2030.</p>
<b>New Approach to European Partnerships</b>	<p>A new tool to bring together private and/or public partners to address some of Europe's most pressing challenges through concerted research and innovation initiatives. There are 3 types:</p> <p><b>Co-Programmed European Partnerships:</b> between the Commission and mostly private (and sometimes public) partners.</p> <p><b>Co-funded European Partnerships using a programme co-fund action:</b> involving EU countries, with research funders and other public authorities at the core of the consortium.</p> <p><b>Institutionalised European Partnerships:</b> in the field of research and innovation between the Union, EU member states and/or industry.</p>
<b>Gender Equality</b>	<p>The European Commission is committed to promoting gender equality in research and innovation. From 2022 a Gender Equality Plan (GEP) is mandatory for all public bodies, higher education institutions and research organisations from Member States and Associated Countries wishing to participate in Horizon Europe.</p>
<b>Open Science policy</b>	<p>Open Science policy was present in H2020 but in HE is strengthened and promoted as a way to improve dissemination and exploitation of the project results and increase active engagement of the society.</p> <p>Horizon Europe calls requires open access to publications in accordance with the open access FAIR requirement: Findable, Accessible, Interoperable, Re-usable. It also requires Mandatory Data Management Plans and Open Research Data.</p>
<b>International Cooperation</b>	<p>International Cooperation is supported to tackle together global societal challenges, ensure access to the world's best talents, expertise and resources and enhanced supply and demand of innovative solutions.</p> <p>More third countries with good capacity in science, technology, and innovation.</p> <p>Objective of driving economic growth in Europe through innovation.</p> <p>Intensified targeted actions.</p> <p>Strengthened support to multilateral cooperation.</p> <p>Openness to international participation balanced with the promotion of EU strategic autonomy.</p>

Table 2: Characteristics of Horizon Europe

*In addition to these novelties in the design of Horizon Europe programme there are other important changes at the administration, proposal preparation, legal and financial management and implementation that we will cover in the next chapters.*

### 1.3. How It Works and What to Read First

Once the legal framework of the programme is agreed (by EC, EP and Council – Member States) then the EC and its agencies responsible for the implementation, publish the work programmes and announce the calls. The Work Programmes

cover 2 years and define the priorities and the specific actions for the following 2 years. Following the Work Programme, the calls for proposals are announced and published in the Funding and Tender Opportunities Portal of EU.



Figure 6: The process from the Strategic Plan to the calls' announcements and the submission of proposals to calls

*At the time of writing of this guide (June 2022) the new Work Programmes for 2023-2024 are expected to be published.*

#### What are the next steps?



##### Study the Policies

Strategic Plan 2021-24  
Strategic Plan Analysis  
General Intro of WP 21-22  
New WPs 2023-24



##### Identify your call

Scan the WP to find a relevant call to your interests  
Study carefully the call text  
Study General Annex of WP



##### Start building

Study the new Proposal Template  
Prepare your concept  
Build your consortium  
Legal Documents (GA, CA)

*Follow the links below to download and study the relevant documents:*

[Horizon Europe Strategic Plan 2021-2024](#)

[Horizon Europe Strategic Planning & Analysis](#)

[Horizon Europe work programmes](#)

[Full list of Horizon Europe Reference Documents](#)

[Horizon Europe gender equality](#)

[Horizon Europe guidance on gender equality plans](#)

# 2. HORIZON EUROPE REGULATORY FRAMEWORK

## 2.1. Legal Ground of the Programme

You do not need to read all the legal documents to participate to Horizon Europe. However, you should know that the programme is based on a number of European Commission decision:

HE Framework Programme Regulation 2021/695

HE Specific Programme Decision 2021/764

EU Financial Regulation 2018/1046

Türkiye has participated in EU research and innovation programmes since 2003. In 2004, Türkiye launched TARAL – the Turkish Research Area (TARAL) - modelled on the European Research Area (ERA). This contributed in particular to progress in ERA Priorities related to e-infrastructures, open data and gender mainstreaming in research. In October 2021, Türkiye signed three agreements granting association status to EU programmes for the period 2021-2027: **Horizon Europe**, the EU research and innovation programme, **Erasmus+**, EU programme for education, training, youth and sport and the **European Solidarity Corps** which supports volunteering, Solidarity Projects and humanitarian aid.

*This guide is dedicated to Horizon Europe although with the introduction of the new corporate Model Grant Agreement all EU programmes follow the same or very similar guidelines.*

## 2.2. Who Can Participate?

Participation to Horizon Europe programme is open to participants that fulfil both criteria below:

legal entities (public or private bodies, including international organisations), established in one of the eligible countries, i.e.:

- o EU Member States (including their outermost regions, overseas countries and territories (OCTs) linked to the Member States).
- o Associated countries (countries associated to the funding programme by paying a financial contribution and under equivalent conditions as legal entities from the EU Member States- list differs for each programme).
- o Eligible other non-EU countries except associated countries.

*Türkiye is an associated country. You can see the full list of participating countries to Horizon Europe [here](#).*

**ATTENTION:** almost all programmes have additional criteria, which widen or narrow the group of entities that can apply.

A distinctive exception to this is the **EIC Accelerator** the successor of SME Instrument in Horizon 2020. EIC Accelerator calls are **available only to SMEs** (or Small and Medium Enterprises according to EC's definition<sup>2</sup>):

EIC does not only offer support to SMEs. There are 3 types of actions that offer funding opportunities to various teams and projects.

- **EIC Pathfinder:** multi-disciplinary research teams to undertake visionary research with the potential to lead to technology breakthroughs in any field (grants up to €3 million).
- **EIC Transition:** To turn research results into innovation opportunities, focusing on results generated by EIC Pathfinder projects and European Research Council Proof of Concept projects, to mature the technologies and build a business case for specific applications (grants up to €2.5 million). €60.5 million is allocated to tackle three Transition Challenges: Green digital devices for the future, process and system integration of clean energy technologies and RNA-based therapies and diagnostics for complex or rare genetic diseases.
- **EIC Accelerator:** SMEs and start-ups can apply anytime for grants and equity investments.

*ERC and MSCA actions also have specific eligibility requirements since they are focusing on researchers.*

## 2.3. Types of Actions

**Horizon Europe** offers several types of actions. Actions are designed according to the target they have and vary on their characteristics. The following table summarizes them.

<sup>2</sup> See also SME Definition Guide: <http://ec.europa.eu/DocsRoom/documents/15582/attachments/1/translations>

HE Actions	Target / Aim	Funding Rate
<b>RIA:</b> <b>Research &amp; Innovation Actions</b>	<i>Research projects / clearly defined challenges</i> <i>// new knowledge or new technology</i>	100%
<b>IA:</b> <b>Innovation Actions</b>	<i>Closer-to-the-market activities: e.g. prototyping, testing, demonstrating, piloting, scaling-up etc.</i> <i>// new or improved products or services</i>	70% (100% for non-profit legal entities)
<b>CSA: Coordination and Support Actions</b>	<i>Coordination and networking of research and Innovation Project, programmes, and policies</i> <i>// Consolidate, organise knowledge</i>	100%
<b>CoFund: Programme Co-Fund Actions</b>	<i>Programme implemented by legal entities managing/funding R&amp;I other than EU Funding bodies.</i> <i>// e.g. European Partnerships are COFUND activities</i>	30-70%
<b>TMA:</b> <b>Training and Mobility Actions</b>	<i>Activities that aim to improve the skills, knowledge, and career prospects of researchers, based on mobility between countries and, if relevant, between sectors or disciplines. (MSCA) // Funding for researcher's mobility</i>	100% (Specific Costs)
<b>IMDA: Innovation and Market Deployment Actions</b>	<i>Activities that embed an innovation action and other activities necessary to deploy an innovation on the market. (EIC)</i> <i>// Realisation: demonstration, prototyping, testing, application development.</i>	70% (100% for non-profit legal entities)
<b>PCP:</b> <b>Pre-Commercial Procurement</b>	<i>Activities to help a buyers' group strengthen the public procurement of research, development, validation and, possibly, the first deployment of new solutions</i> <i>// Public procurers buy R&amp;D from several competing suppliers in parallel to compare alternative solution and identify the best value for money solutions.</i>	100%
<b>PPI:</b> <b>Public Procurement of Innovative Solutions Actions</b>	<i>Activities that aim to strengthen the ability of a buyers' group to deploy innovative solutions early</i> <i>// Public sector acts as early adopter of innovative solutions which are not yet available on large scale commercial basis</i>	50%

Table 3: Different type of actions in Horizon Europe

## 2.4. Consortium Composition

In general, and unless the call texts provide specific requirements, the minimum partners in a consortium are three:

- at least one independent legal entity established in a Member State; and
- at least two other independent legal entities, each established in different Member States or Associated Countries.

A notable exception is again the EIC Accelerator programme where a single SME can participate without the need for any consortium.

*Please note that this is the minimum requirement and consortia should try to be as inclusive and complementarity as possible.*



# 3. PROPOSAL PREPARATION: FROM CALL TO PROPOSAL SUBMISSION

Once you decide to pursue a project in Horizon Europe you must follow some steps to ensure you comply with all regulations, avoid pitfalls, and maximise your success. The place to start is the **F&T Opportunities Portal**. This is a revamped web resource which consolidates all available funding and tenders in EU. Although you can access many things without registering, it is necessary to do so if you wish to make the most out of the programme and of course if you want to submit a proposal.

## 3.1. Register as an Individual to Funding & Tender Opportunities Portal

The first thing to do is to register and obtain an ECAS<sup>3</sup> account. You will only need to enter your name and an email. Once you are a registered user you can access your private area where you can register and monitor organisations, manage your proposals and projects, receive notifications, search, and save the calls you are interested in - and if you believe you are an expert in a subject area - register yourself as an expert. In the following sections of this chapter, we will guide you in your first steps in a **proposal preparation phase**.

## 3.2 Registering Your Organisation in Funding & Tender Opportunities Portal

To be able to participate in any Horizon Europe activities you need to declare your organisation on the F&T Opportunities Portal. You will need to register your entity (public or private) on the European Commission's databases and provide proof that your organisation legally exists. Upon registration, the system will assign to your organisation a unique 9-digit number called **Participant Identification Code (PIC)**.

*A **PIC number** will be a permanent number associated with your organisation and it is the first thing partners will ask you whenever they want to include you in a proposal. So, if you do not have one this is where you need to start.*

The screenshot shows the 'Funding & tender opportunities' portal. The main navigation bar includes 'SEARCH FUNDING & TENDERS', 'HOW TO PARTICIPATE', 'PROJECTS & RESULTS', 'WORK AS AN EXPERT', and 'SUPPORT'. A search bar is prominently displayed with the text 'Find calls for proposals and tenders' and a 'Search' button. Below the search bar, there are links for 'EU Programmes', 'Horizon4Ukraine', 'Brexit info', and 'Report fraud'. On the right side, there is a 'Create an account' form with fields for 'First name', 'Last name', 'E-mail', and 'Confirm e-mail'. A dropdown menu for 'E-mail language' is set to 'English (en)'. A checkbox indicates that the user has read and understood the privacy statement. The 'Create an account' button is highlighted in blue.

Figure 7: Click on the REGISTER button to create an individual account in ECAS.

<sup>3</sup> This is European Commission's main authentication service allowing you to connect to all its online services.

In order to register in the Beneficiary Register, you only need to provide some basic legal information about your organisation: address, legal form, registration data and if applicable the VAT number. Nevertheless, it is recommended to have copies of the following documents ready, to make sure you avoid any mistakes.

- Your registration extract (for private organisations), law/decreed/decision (for public entities) or treaty (for international organisations).
- VAT registration (or exemption) certificate (if applicable).
- Official Statute(s) (if entity declares non-profit status) etc.

*You do not need to send these documents to EC when you register. If your proposal is successful, EC will request them and will validate your organisation.*

*! The email that will be used from the individual that registers the company is very important, since this will be the main contact email in which EC will*

*send any communication related to the validation of the entity. If the proposal is successful, the EC validation services will contact the entity only through this email. Validation process often starts before the official notification of the results.*

**!! In large organisations like public institutions or universities there is a chance that your organisation may already be registered. Before you register your organisation make sure it does not already exist. The system will ask you about that. !!! In large organisations with multiple departments belonging to the same organisation (a single legal entity), units or departments cannot participate as separate entities in Horizon Europe projects. Therefore, all departments must use the same PIC number that is assigned to the organisation being the legal entity.**

You can search if your organisation already exists before you start the registration. You don't need to know the PIC number to find an organisation. You can search by Name or VAT and you can always limit your search by Country and City.

Participant Register

Need help?

If you want to participate in a call for proposals or in a call for tenders with eSubmission, your organisation needs to be registered and have a 9-digit Participant Identification Code (PIC). Please quote your PIC in all correspondence with the Commission.

The register contains all participants of EU programmes.

Is your organisation already registered? PIC search

Please check whether your organisation has already been registered. If so, no need to register it again.

Search a PIC

Register your organisation

To register your organisation or as a natural person, you need to login into the Portal or, if you are a new user, create your account.

Check what information you need to register in the Online Manual - and keep it to hand during the registration procedure. To start registration, click on the button below.

Register your organisation

Find a registered organisation

You may enter a (complete or partial) organisation name (e.g. "Oxford" or "University of Oxford") and optionally select a country.

**You cannot search by country only.** Organisation names are in English or in the national language.

Name\*:  
enter an organisation name

Country:  
Select a country

Advanced search

City:  
enter a City

Registration Number:  
enter a Registration Number

PIC:  
enter complete PIC number, e.g. 987654321

VAT:  
enter a VAT

Erasmus Code:  
enter a Erasmus Code

Search organisation

Clear filters

Figure 8: Searching for a registered organisation in the F&T Portal

### 3.3 SME Self-Assessment

If you are an SME, you may need to confirm your SME status through an online tool. This must be done through the portal. The **SME Self-Assessment online tool** requires a lot more information than the simple registration. You will be asked to provide financial data for the latest closed accounting period, staff headcount, shareholders and their % of their shares, participating bodies, subsidiaries, and any other relationships. It is recommended to visit the SME Self-Assessment Questionnaire page and download and carefully read SME Self-Assessment User Guide.<sup>4</sup>

Find more information on the SME Self-Assessment [here](#).

### 3.4 Finding a Call

The F&T Opportunities Portal has consolidated all EU funding programmes (not just Horizon Europe) so it is possible for participants to look for other opportunities (as long as they are eligible). Türkiye has the status of an Associated Country and is eligible for funding under: Horizon Europe, Erasmus+, PRIMA, Digital Europe. In this guide we focus on the Horizon Europe calls, but many legal and financial rules and procedures also apply to the other programmes. Before you start, make sure you study the relevant call fiches and guidelines.

The screenshot shows the 'Funding & tender opportunities' portal. The left sidebar contains navigation links: Manage my area, My Person Profile, My Organisation(s), Grants, My Proposal(s), My Project(s), My Formal Notification(s), My Expert Area, and My Task(s). The main content area is titled 'Funding and tenders (254)' and includes a search bar, filters for 'Match whole words only', 'GRANTS', and 'TENDERS', and a 'Submission status' section with 'Forthcoming (49)', 'Open for submission (205)', and 'Closed'. Below this is a 'Programming period' filter set to '2021 - 2027 (254)' and a 'Horizon Europe (HORIZON)' filter. The results section displays two calls:

Programme	Type of action	Opening date	Status	Deadline model	Next deadline
ERC PROOF OF CONCEPT GRANTS2 ERC-2022-POC2	HORIZON ERC Proof of Concept Grants	16 November 2021	Open for submission	multiple cut-off	29 September 2022 17:00:00 Brussels time
EIC Accelerator Challenge: Technologies for 'Fit for 55' HORIZON-EIC-2022-ACCELERATORCHALLENGES-02	HORIZON EIC Accelerator Blended Finance	01 March 2022	Open for submission	multiple cut-off	05 October 2022 17:00:00 Brussels time

Figure 9: Looking for a call



<sup>4</sup>[https://ec.europa.eu/research/participants/data/support/IT\\_SME%20Self%20Assessment%20Wizard%20User%20Guide.pdf](https://ec.europa.eu/research/participants/data/support/IT_SME%20Self%20Assessment%20Wizard%20User%20Guide.pdf)

You can search the calls by a keyword or use the multiple filters available. One significant difference you will notice immediately is the deadline model. There are 3 options:

- **Single Stage:** full proposals must be submitted by the deadline.
- **Two Stage:** You must submit an outline proposal in Stage 1 by the deadline and if it is evaluated positively you are invited to submit a full proposal in Stage 2.
- **Multiple Cut off:** Call is continuously open with multiple cut off dates (deadlines) at which all proposals submitted by that time are evaluated.

Each call addresses a specific problem or challenge and offers one or more available actions (RIA, IA, CSA)<sup>5</sup>. The call will outline the specific **challenge**, the **scope** the **expected outcome** and the **expected impact** of the proposal. To be successful, your proposal has to address all (often even more) of the issues and problems described.



Figure 10: A map of associated countries that can host a widening coordinator

Once you know which research area you are interested in, you should start looking for a consortium or - if you feel you have enough experience - initiate your own. There are many online sources and tools to find potential partners. The F&T Portal offers a new feature for **Partner Search** in addition to **CORDIS** which has

<sup>5</sup> Action Types were explained in Chapter 1.

<sup>6</sup> The list of participating countries to HE can be found in the following link: [https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/list-3rd-country-participation\\_horizon-euratom\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/list-3rd-country-participation_horizon-euratom_en.pdf)

<sup>7</sup> This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

### 3.5 Countries Eligibility

Horizon Europe is open to legal entities beyond the EU Member States. At the time of writing, 16 other countries are associated to Horizon Europe and can participate on the exact same rules as the Member States.

Participants from the low- to middle-income countries are automatically eligible for funding<sup>6</sup>.

*The Agreement associating Türkiye to Horizon Europe, the EU research and innovation programme (2021-2027), was signed in October 2021. The Agreement applies with a retroactive effect from 1 January 2021.*

Türkiye is not only an Associated country but also a Widening country eligible for coordinating projects under **Widening Participation and Spreading Excellence** actions under Horizon Europe. The aim of this programme is to contribute to building research and innovation capacity for countries lagging.

#### 27 Member States

#### 16 Associated Countries

1. Albania
2. Armenia
3. Bosnia and Herzegovina
4. Faroe Islands
5. Georgia
6. Iceland
7. Israel
8. Kosovo<sup>7</sup>
9. Moldova
10. Montenegro
11. North Macedonia
12. Norway
13. Serbia
14. Tunisia
15. Türkiye
16. Ukraine

been available for some time. Online business communities like **LinkedIn** can also prove invaluable, but probably your biggest asset is your current network abroad (scientific and business) which you must utilise.

## 3.6. General Conditions for Participation

Once you have identified the call (or calls) that interest you, the next step is to check the admissibility and eligibility requirements as well as the specific conditions for participation. These can be found in the General Annexes of the Work Programme.

### 3.6.1. General Annexes of the Work Programme



**Annexes A-C:** admissibility and eligibility, financial and operational capacity and exclusion.

**Annexes D-F:** award criteria, mandatory documents and evaluation procedure.

**Annex G:** legal and financial set-up of Grant Agreement (GA).

**Annex H:** specific conditions (PCP, or Innovation Procurement).

### 3.6.2. Restrictions

Projects must have an **exclusive focus on civil applications** and may not aim at human cloning for reproductive purposes, intend to modify the genetic heritage of human beings which could make such changes heritable (with the exception of research relating to cancer treatment of the gonads, which may be financed) or intend to create human embryos solely for the purpose of research or for the purpose of stem cell procurement, including by means of somatic cell nuclear transfer.

**Restrictions:** Actions related to EU strategic assets, interests, autonomy, or security are available only for EU Member States (and maybe specific associated or non-associated third countries).

**Exclusions:** for protection of the strategic interests of EU specific calls may exclude participation of legal entities directly or indirectly controlled from non-associated third countries.

Projects must moreover comply with **EU policy interests and priorities** (such as environment, social, security, industrial policy, etc.).

### 3.6.3. Operational Capacity

Although Horizon Europe is open to all kinds of organisations you should evaluate carefully if you do have the operational capacity to participate in the work set out in a proposal. According to HE FAQ, “Operational capacity

*shows whether a partner has the basic operational resources and capacity to implement the action and, in particular, the parts in the proposal for which they are responsible.”* The evaluators will pay particular attention to this assessment, based on the information provided by the partner in the proposal.

Such information of course includes a brief but concise organisational profile describing the partner (Partner Profile) which also includes the relevance to the specific call publications, achievements, expertise, knowledge, etc. Relevant previous projects and a brief description of any significant infrastructure or any major items of technical equipment that can also add value to the project.

*In Horizon 2020 the proposal included more detailed partner profiles (usually 2 pages each). In the new template the space to describe the consortium and partners is limited. However, a lot of information about researchers, references, past projects, notable achievements, publications, and relevant infrastructure has moved to Part A.*

The assessment of operational capacity will be carried out during the evaluation of the award criterion ‘**Quality and efficiency of the implementation**’, on the basis of the competence and experience of the applicants and their project teams, including its operational resources (human, technical and other) or, exceptionally, the measures proposed to obtain it by the time of the implementation of the tasks.

If the evaluation of this award criterion leads a score above the applicable threshold, then the applicants are considered to have sufficient operational capacity.

### 3.6.4. Financial Capacity

Apart from the operational capacity, the EC always check the financial viability of the coordinator and may also check financial viability of other partners as well. This is **the ability of an organisation to successfully implement the project**. The EC would like to make sure that your organisation is financially capable and able to control the Horizon Europe grant without jeopardising the funding.

Before signing the Grant Agreement, the EC will check your organisation's financial capacity, depending on the type of organisation and various other criteria. If you are a project coordinator, the Commission will always check your financial viability when the requested EU funding for the action is equal or more than €500,000 unless the coordinator is:

- a public body,
- a higher or secondary education establishment,
- an international organisation or body whose participation is guaranteed by the government of an EU country or associated country,
- a private individual in receipt of a scholarship.

The financial capacity check will be done on the basis of the documents uploaded in the Participant Register during grant preparation

#### *So, what can organisations do in order to comply?*

According to the EU factsheet a Gender Equality plan must include the following aspects and it should cover at least 5 thematic areas, using concrete measures and targets:



- Work-life balance and organisational culture.
- Gender balance in leadership and decision-making.
- Gender equality in recruitment and career progression.
- Integration of the gender dimension into research and teaching content.
- Measures against gender-based violence, including sexual harassment.

(e.g., profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc.). The analysis will be based on neutral financial indicators, but will also consider other aspects, such as dependency on EU funding and deficit and revenue in previous years.

### 3.6.5. Gender Equality

As of 2022, **Gender Equality Plans** are mandatory for all public institutions, higher education institutions and research organisations from EU countries and associated countries, that want to participate in Horizon Europe. In addition to this, researchers must work on the **integration of the gender dimension into research and innovation content**, as this became an award criterion evaluated under the excellence criterion, unless the topic description explicitly specifies otherwise.

Finally, increasing gender balance throughout Horizon Europe is another objective, with a target of 50% women in Horizon Europe related boards, expert groups and evaluation committees, and gender balance among research teams set as a ranking criterion for proposals with the same score.

*For detailed guidance on how to prepare your Gender Equality Plan you can refer to this document: [Horizon Europe guidance on gender equality plans](#)*

### 3.6.6 Ethics

Projects must also comply with the **ethical principles** (including the highest standards of research integrity) and applicable EU, international and national law. At the proposal stage proposers complete an **Ethics Self-Assessment**. This is a procedure where you need to assess and address the ethical dimension of all the activities of your project.

If the proposal is successful and provided that there are ethical issues that may require attention project may undergo the Ethics Appraisal process which is done by independent experts during the evaluation stage.

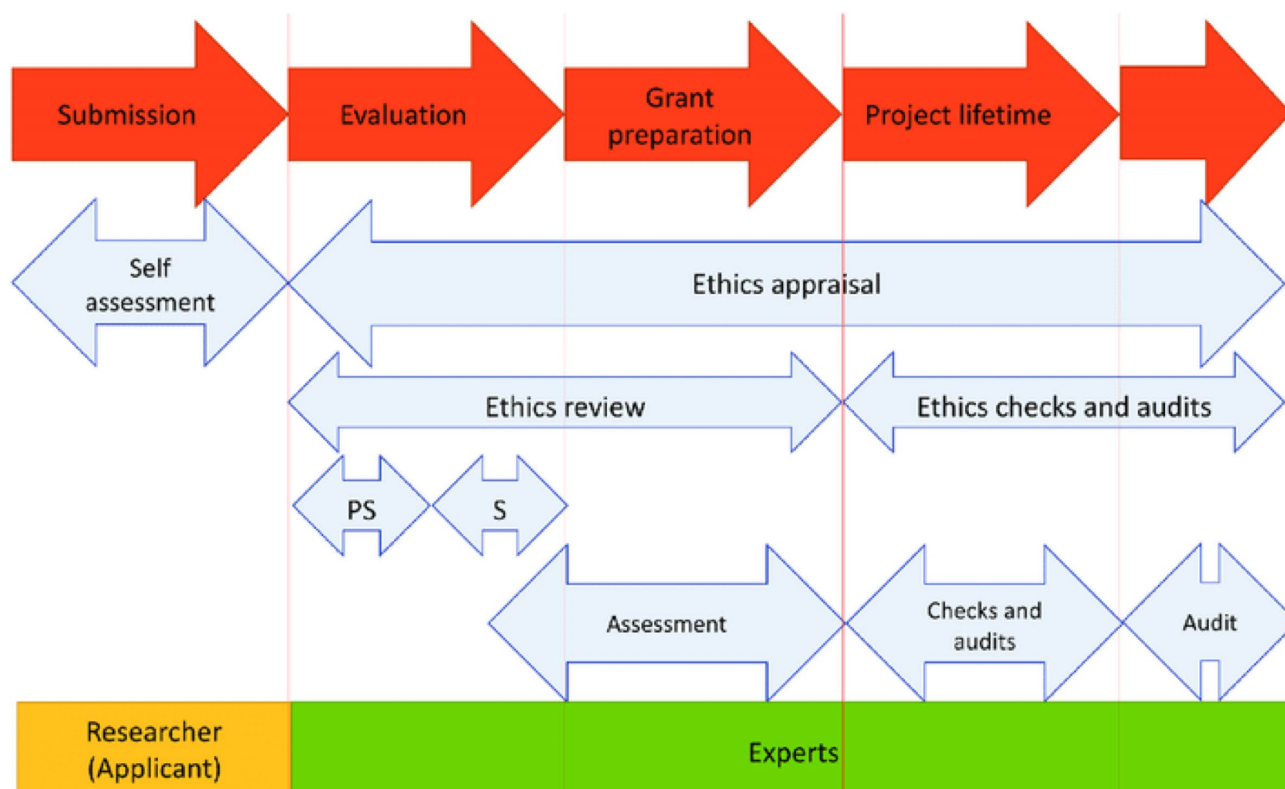


Figure 11: The Ethics Appraisal Process

Ethics cover the following issues and if a proposal includes any activities that may involve any of the following issues must address them appropriately by detailed justification at the proposal stage.

- Human embryonic stem cells (hESCs) and human embryos (hEs).
- Humans (all EU Programmes).
- Human cells or tissues (all EU Programmes).
- Personal data (all EU Programmes).
- Animals (all EU Programmes).
- Non-EU countries (all EU Programmes).
- Environment, health and safety (all EU Programmes).
- Artificial intelligence (all EU Programmes).
- Other ethics issues (all EU Programmes).
- Crosscutting issue: potential misuse of results (all EU Programmes).

Please also refer to '[How to complete your ethics self-assessment](#)' guide.

***Ethics and Security is covered in Section 4 of the Part A of the new Standard Application Form. The form includes the Ethics Issues table and the Ethics Self-Assessment.***

### 3.6.7 Security

In case your projects involve classified and/or sensitive information it will have to go through the **security appraisal process** to authorise funding. In this case it may have to follow specific security rules (detailed in the Security Section, which is annexed to the grant agreement). Specific provisions for EU-classified information (EUCI) and sensitive information (SEN) will be included in the grant agreement, as necessary and appropriate.

In case your project is classified or confidential then it will have to comply with specific security rules that will define how you handle classified information, who has access to it and who this is recorder, what happens with subcontractors, how information is disclosed etc.

Please also refer to '[How to handle security-sensitive projects](#)' guide.

## 3.7. Legal Issues in Proposal Preparation: IP & Background

There are no legal prerequisites to participate in a Horizon Europe project. The only requirement is to have a PIC number and fulfil the admissibility and eligibility requirements. However, once you start discussing an idea with potential partners that could form the basis of a proposal, you should start considering legal issues related to collaboration. Although a consortium agreement (the legal documents that binds the consortium together) is not necessary for the submission of a proposal it is important to establish a common understanding with the partners to avoid potential cooperation problems later. At this early stage, all partners are usually enthusiastic to be working together on a bid in the anticipation of a successful result and often neglect to put in writing what they have agreed. This can give rise to unnecessary misunderstandings.

Such misunderstandings derive for various reasons:

- Disagreements on the **tasks involved** or on the work that needs to be done (over promising on deliverables).
- Disagreements on the **use of the technology** a partner already owns.
- Disagreements on the **decision-making process** in a consortium.
- Disagreements on **budget**.
- Disagreements on who owns the **results**.

The above list is not all inclusive, but it gives an idea. Most disagreements can be avoided through clear and concise communications and unambiguous documents which are mutually agreed by all partners.

One of the biggest issues to consider in this stage is your **own intellectual property** that will be used in the project and will therefore be used by other partners. This is referred to as **background**, as it was acquired before the start of the project. It can be in the form of patents, know-how, copyright etc. and you agree to bring it to the project to enable a new solution to evolve and develop, which you will obviously also benefit from commercially.

In this preparation stage, especially if the consortium is not yet fully formed, you can substitute a Consortium Agreement with a **Memorandum of Understanding (MoU)** or an **NDA (Non-Disclosure Agreement)**. The difference between these documents is in that an MoU often covers more issues than a simple NDA, like how you are going to work, how the decisions are going to be taken, what are the roles of each partner, etc. An NDA is a more specific document which binds the signatories to non-disclosure of any information they share between them to third parties. Of course, exceptions and specific rules may further apply.

NDA's or MoUs can be signed by both you and each consortium partner, if you feel that you need extra protection through a NDA before starting discussion of your idea or need a common MoU stating all of the background information that will later be included in the Consortium Agreement signed by all partners before the submission of the proposal.

Summarising this section, we would like to point out the following:

1. Before you start looking for partners for a project, think about the **Intellectual Property** of your organisation and decide on a **long-term IP strategy**. Don't forget that IP rights are assets and as such can be exchanged, distributed, or even sold. Decide how important these assets are to your company and if you are willing to contribute them within a project and at what cost.
2. Keep your **communications** with the other partners clear and always in writing.

3. Don't forget that you are entering a **business partnership** with a common goal. It is the duty of all partners to create an environment of mutual understanding and collaboration in order to succeed.

*The European IP Helpdesk supports EU/COSME SMEs and researchers participating in EU-funded projects both to protect and enforce their Intellectual Property (IP) rights. It has available plenty of IP Resources including factsheets, guides, case studies, and templates for all available documents like NDAs and MoUs.*

### 3.8. Financial Issues in Proposal Preparation: Budget Preparation

#### 3.8.1. A Reminder on Funding Rates

The most important point to remember for all EU funding, is that Horizon Europe is a **grant (funds which are given for specific work or actions, as opposed to a loan which must be paid back to the funding agency)**. It is given to an organisation that has been selected, under a rigorous process, to implement a specific project as specified in the proposal (**Description of Action**).

Such a grant may not always cover the full costs of the project. The beneficiary may have to co-fund it. Each action has its own funding rate which is mostly either 70% or 100%, usually depending on how close the subject of the proposal is to market.

Although in Horizon Europe we have a few more available types of actions like the Co-Fund and PPI in which funding rate is lower than %70, the most common types are still RIA, IA, CSA.

*Non-profit entities (e.g., a University, a Public Body or an NGO) have a funding rate of 100%.*

So, if your for-profit organisation is selected for an **Innovation Action** and your total budget is €100.000 then you will receive €70.000 from the EC and you must cover the rest from your own resources.

Horizon Europe follows a **Simplified Funding Model** (similar to H2020) where **ALL beneficiaries and ALL activities** have the same reimbursement rate for the full action:

- Up to 100% for Research and Innovation actions
- Up to 70% for **Innovation Actions** (non-profit entities up to 100%), IMDA (EIC)



Figure 12: Funding Rates of Different Horizon Europe Actions

#### 3.8.2. Cost Categories

As we already mentioned the HE grants are offered under specific operational rules, so not all costs categories are eligible. The eligible cost categories of Horizon Europe are:

- **Direct costs:**
  - o Personnel costs.
  - o Costs of subcontracting (including non-deductible VAT).
  - o Purchase costs (including non-deductible VAT).
    - o **Travel** costs and **subsistence** allowances.
    - o **Depreciation** costs of equipment (including non-deductible VAT).
    - o Costs of **other goods, works** and services (including non-deductible VAT).

- o **Specific costs** categories (if option applies).

#### • Indirect Costs

*As you can see, the main expenses you can cover in Horizon Europe are personnel costs.* The programme does not cover infrastructure costs, rent or marketing expenses if they are not directly connected with the project. Furthermore, subcontracting should be used for only limited parts of the action and only if necessary for the implementation of the project<sup>8</sup>.

You have obviously noticed that we are talking about **direct** and **indirect** costs. Let's clarify what each one is. **Indirect costs** or **overheads** are all those "eligible costs that cannot be identified and calculated by the beneficiary as being directly attributed to each project". Such costs may include rent (rent is not covered directly but indirectly falling into the category of overheads), utilities costs (water/ gas/ electricity), maintenance, office

<sup>8</sup>There is no limit established to subcontracting costs in Horizon Europe. The General Model Grant Agreement (GMGA) does not fix any limit. However, it is generally recommended to keep subcontracting costs below 15% of the total project costs.

supplies, communication and connection costs and costs for administration and financial management like hiring costs, training, legal advice<sup>9</sup>, documentation etc.

**A participant does not have to provide any proof for these costs.** They are calculated as a **25% flat rate of the total direct eligible costs**, excluding direct eligible costs for subcontracting and all costs under specific cost categories except ERC additional funding. The following table presents a simplified budget example for a typical project budget.

Personnel Costs	Subcontracting Costs	Purchase Costs	Other Costs	Total Direct Costs	Indirect Costs	TOTAL BUDGET	Funding Rate	Total Grant
A	B	C	D		E	G	H	
All actual personnel costs	The need for sub-contracting must be well justified.	Travel / Equipment / Other goods, works and services	Specific Cost Categories <sup>10</sup>	A+B+C+D	25% * (A+C+D7 (if applicable))	A+B+C+D+E	Depen- ding on the speci- fic Action Type	70% * G
90.000 €	10.000 €	12.000 €	0 €	112.000 €	25.500 €	137.500 €	70%	96.250 €

*Table 3: A simplified budget example*

*In the example above a participant will get a grant of €96,250 from the EC. He/she will need to provide proof of expenditure for the €112,000 (all actual direct costs) to justify the EC contribution.*

### 3.8.3. Understanding Costs

Before we proceed to further analysis of the budget and costs you should remember the following principles:

**Principle 1:** Be prepared to put a lot of effort into the preparation

**Principle 2:** All costs for preparing a proposal must be borne by the involved partners.

**Principle 3:** You can only claim costs that are “eligible” (they fall into specific categories which the EC has identified).

The most important distinction we need to make is that in Horizon Europe (as in previous H2020, FP7) we have ‘direct’ and ‘indirect’ costs.

**Direct costs** are all those “eligible costs that can be attributed directly to the project and are identified by the beneficiary as such, in accordance with its accounting principles and its usual internal rules.”

- **A - Personnel:** cost of people assigned to the project (temporary or permanent, full-time, or part-time, directly hired, or seconded).
- **B - Subcontracting:** payment to a subcontractor for a specific task related to the project and described in the DoA. Although permitted, the use of sub-contractors is not preferred by the

- EC for various reasons. Use has to be justified in detail, included in the DoA and may cover only a limited part of the action.

#### • C - Purchase Costs:

- **C1 - Travel costs:** Including subsistence, transportation costs, accommodation, per diems (daily allowances for food, accommodation, etc.), costs for meals when on a trip related to the project (all such costs must be in line with the beneficiary’s usual practices on travel).
- **C2 - Equipment:** that is used in the project but only its depreciated costs according to the accounting system of each beneficiary.
- **C3 - Other goods, works and services:** Any other costs for materials, supplies specialised services, provided they are identifiable, necessary, and specific for the implementation of the project.
- **D - Other Cost Categories:** cost categories for specific calls.
  - **D1 - Financial support to third parties (FSTP):** Certain calls allow the project consortium to provide financial support to third parties (in the form of grants, prizes or similar forms of support) under special conditions.
  - **D2 - Internally invoiced goods and services:** goods or services which are provided within

<sup>9</sup> Patent costs related to the exploitation of specific results fall under Other direct costs and can be eligible for the project.

<sup>10</sup> D1 – Financial support to third parties (FSTP), D2 – Internally invoiced goods and services, D3 – Transnational access to research infrastructures, D4 – Virtual access to research infrastructures, D5 – PCP/PPJ procurement costs, D6 – Euratom Cofund staff mobility costs, D7 – ERC additional funding, D8 – ERC additional funding (subcontracting FSTP and internally invoiced goods and services)

the beneficiary's organisation directly for the action and which the beneficiary values on the basis of its usual cost accounting practices. (Examples: self-produced consumables, use of specific devices or facilities needed for the action (e.g. clean room, wind tunnel, supercomputer facilities, electronic microscope), hosting services).

- o **D3 - Transnational access to research infrastructure:** Access to facilities that provide resources and services for the research communities to conduct research and foster innovation in their fields.
- o **D4 - Virtual access to research infrastructure:** similar case as above but access is only virtual.
- o **D5 - PCP/PPI procurement:** Costs related with the procurement activities under this specific category of projects.
- o **D6 - Euratom Co-fund staff mobility costs:** Costs related with the mobility of the staff under this specific category of projects.
- o **D7 - ERC additional funding:** Costs related to ERC projects (eligible to calculate indirect costs).
- o **D8 - ERC additional funding (subcontracting, FSTP and internally invoiced goods and services):** Costs related to ERC projects (ineligible to calculate indirect costs).

**Indirect costs, or overheads,** are all those eligible costs that cannot be identified and calculated by the beneficiary as being directly attributed to each project. Overheads are connected with the day-to-day operational costs of a company, such as rent, infrastructure maintenance, hiring or depreciation of buildings and plant (if not eligible in the call), water/gas/electricity, maintenance, insurance, supplies and petty office equipment, communication and connection costs, postage, etc., and costs connected with horizontal services such as administrative and financial management, human resources, training, legal advice, documentation, etc.

☆

Position	Name	WP1	WP2	..	WPn	TOTAL
Team Leader		2	0,5	..	0,5	3
Senior Engineer		1	2	..	3	6
Senior SW Developer		1	3	..	4	8
Dissemination Expert					5	5
<b>TOTAL PERSON MONTHS</b>						<b>22</b>

*These indirect costs are calculated **on the basis of a 25% flat-rate** of the total direct eligible costs, excluding subcontracting and all costs under specific cost categories except ERC additional funding and beneficiaries do not have to provide any proof of them (invoices or receipts).*

### 3.8.4. Estimate Your Personnel Costs

As already mentioned, the first step to estimate your personnel costs is to **analyse the work that needs to be done as adequately as possible** for this preparation phase. This means that you should identify the persons from your team that will work on the project and estimate what effort they will need to put into every task. If you plan to hire people for the tasks you should identify their profile(s) and their personnel cost to your organisation.

At the end of this exercise and assuming the project work break down structure (Work Packages, Tasks and Deliverables) is known, you should be able to produce the following table. Please note that position and number are merely indicative. You should use your own positions according to the project needs (Please see the table below).\*

*Once you have the person months per profile then you should identify the **average monthly cost** of the specific persons or anticipated profiles according to your organisation practices.*

When we refer to personnel costs we mean:

- Fixed salary stated on the beneficiary's payroll
- Fixed complements (general contractual complements to the basic salary (e.g. a 13th month bonus payment; complement for hazardous work or night shifts; transportation allowance, etc.) & variable complements (bonuses) <sup>11</sup>

<sup>11</sup>If: they are paid based on objective conditions set out, at least, in the internal rules of the beneficiary, they are paid in a consistent manner, i.e. not just for actions supported by EU grants, and where applicable, subject to the specific eligibility conditions for supplementary payments. (For detailed information about standard and project-based supplementary payments, which are considered as eligible personnel costs by the funding authority, please check Article 6.2.A.1 in the AGA.)

- Social security contributions (both employer & employee contributions).
- Taxes linked to the remuneration (income tax & stamp duty).
- Other costs included in the remuneration, if they arise from national law or the employment contract (or equivalent appointing act).

The practical way to come up with an average monthly cost is:

1. to calculate the annual cost of an employee to the organisation (including all the above) (if more than one personnel is included in the project, the calculation should be done for all the personnel,
2. Divide all amounts by 12 for each personnel to get a monthly average TL cost,
3. Calculate the EUR amount via using the monthly exchange rate and the EUR/TL rate given by the European Central Bank <sup>12</sup> the day the calculation is being made.
4. Calculate weighted arithmetic mean of monthly EUR amounts of all personnel according to their estimated contribution to the project (use arithmetic mean if contributions can't be estimated in that phase).
5. Increase the amount in forth phase by 20% (or more if necessary) in order to cover any possible salary, increase, promotion and positive exchange rate change in favour of your currency in following 3-4 years.
6. This is the average person month rate, which can be used for personnel cost calculation.

---

*Remember that above calculation is just a draft estimation and may lead to differences between estimated and real costs.*

---

### 3.8.5. Summarising the Steps for Personnel Costs Estimation

1. Analyse the work in the **Work Breakdown Structure**.
2. Identify the **Work Packages** and **Tasks** in the project that you are involved in
3. Identify the **team**. Who is going to implement the tasks?
4. Will you need to hire any **new staff**?
5. Estimate their **effort** in the project (per task).

6. Identify their **annual cost and average monthly rate** of these persons according to the rules set out earlier.
7. Estimate the **costs of your personnel**.

---

*To simplify the proposal budget, you do not have to declare different rates per profile. You can use an **average monthly rate** for all the personnel involved in the project.*

---

*Remember that this is just an estimation exercise. It is only natural to face deviations in the implementation either in the planned person months or in the costs. Once the project starts you will deal with the real numbers.*

---

Finally, we should clarify here that there are various types of personnel costs that are eligible:

- costs for **employees** (or equivalent) (A.1).
- costs for **natural persons** (individuals like freelancers, consultants) working under a direct contract other than employment contract (A.2).
- costs for **personnel seconded** by third party (A.3).
- costs for SME owners without salary and costs of beneficiaries that are natural persons not receiving a salary (A.4).

---

*At the proposal preparation phase, it is recommended that you foresee what types of personnel you will use for the project. Otherwise, for a need to use A.3 or A.4 typed personnel, you have to deal with extra legal, financial and administrative procedures (amendment).*

---

### 3.8.6. Estimate Subcontracting Costs

Subcontractors are third parties from outside the consortium that do not have to follow the rules of Horizon Europe. Although subcontracting is allowed by the EC it is generally discouraged. This is because Horizon Europe has a "no profit" rule on projects. Subcontractors will need to have a profit margin, making their use on Horizon Europe projects problematic. Nevertheless, it is understood by the EC that in certain cases subcontracting for limited actions will be necessary. In this case the use of subcontractors has to be explained and justified in detail in the proposal.

<sup>12</sup> [https://www.ecb.europa.eu/stats/policy\\_and\\_exchange\\_rates/euro\\_reference\\_exchange\\_rates/html/eurofxref-graph-try.en.html](https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-try.en.html)

Subcontracting has its own budget category and all money approved to be used for subcontracting is reported under it. In case subcontracting is not anticipated in the original GA or an increase in the budget is needed, then a Grant Agreement amendment is required to ensure that there are no issues with eligibility.

In order to decide if an estimated purchase of service is a subcontracting or a direct purchase which should be budgeted under "other direct cost" category, the table giving an overview of the different kinds of third parties can be analysed from Article 8 of the AGA.

---

*Subcontracting costs are "Actual Costs" (how much it actually paid to subcontractors) and there is no 25% overhead rate added to them.*

*A detailed analysis of subcontracting costs can be found in the Annotated Model Grant Agreement (Article 6.2.B).*

---

### 3.8.7. Estimate Travel Costs

Horizon Europe projects usually require a lot of travelling. You should estimate in your budget a reasonable travel cost allocation. Usually, experienced coordinators plan the required meetings and events from the very beginning so that accurate estimations of travel can be provided to consortium members. You should consider the following:

- Travel costs for **project meetings**, General Assembly, WP technical implementation and pilots.
- Travel costs for **project reviews** with EC officials (usually in Brussels).
- Travel costs for **dissemination actions** (participation in conferences, information days, events, exhibitions).

The travel cost of a participant is calculated via using,

(the average amount per travel per person for domestic and international meetings) X (number of person participating in project meetings) x (amount of domestic and international meetings).

In order to calculate the average amount per unit, the expenses which are covered according to beneficiary's usual practices on travel and limits derived from the relevant national legislation and/or usual practices of the beneficiary, should be taken into account.

(the average amount per travel per person for domestic and international meetings) X (number of person participating in project meetings) x (amount of domestic and international meetings).

In order to calculate the average amount per unit, the expenses which are covered according to beneficiary's usual practices on travel and limits derived from the relevant national legislation and/or usual practices of the beneficiary, should be taken into account.

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*A detailed analysis of travel costs can be found in the Annotated Model Grant Agreement (Article 6.2.C.1).*

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### 3.8.8. Estimate Equipment costs

Under Horizon Europe you can purchase equipment so long as it is used for the needs of the project. Even so, you can be reimbursed only on the basis of **depreciation costs (except if something different is foreseen in a call)**. In this case, you are reimbursed only for the percentage of the actual use in the specific year.

Costs for renting or leasing equipment, infrastructure or other assets are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

*The simplest method to calculate the depreciation costs is the straight-line depreciation:*

**(Cost of the Asset – Salvage Value)**

**Annual Depreciation Expense =**

**Useful Life of the Asset**

- **Cost of the asset** is the purchase price of the asset.
- **Salvage value** is the value of the asset at the end of its useful life. You can assume this is 0.
- **Useful life of asset** represents the number of periods/years in which the asset is expected to be used by the company.

Examples of calculating annual depreciation costs for equipment used in the project.

Purchase Cost:	40,000.00 Euro	Purchase Cost:	40,000.00 Euro
Depreciation Period:	3 Years	Depreciation Period:	3 Years
Annual Depreciation:	13,333.33 Euro	Annual Depreciation:	13,333.33 Euro
Project Start:	01 January 2015	Project Start:	01 January 2015
Project End:	31 December 2017	Project End:	31 December 2017
Equipment bought:	01 July 2015	Equipment bought:	01 January 2014
Cost Claim Project Year 1:	6,666.67 Euro	Cost Claim Project Year 1:	13,333.33 Euro
Cost Claim Project Year 2:	13,333.33 Euro	Cost Claim Project Year 2:	13,333.33 Euro
Cost Claim Project Year 3:	13,333.33 Euro	Cost Claim Project Year 3:	Euro
<b>Total Cost claim:</b>	<b>33,333.33 Euro</b>	<b>Total Cost claim:</b>	<b>26,666.67 Euro</b>
In the example the equipment is bought 6 months into the project (M6) so the first year we are able to claim costs only for 6 months (half year).		In this example equipment was bought 1 year before the start of the project. Since it's useful life is 3 years we are able to claim costs only for 2 years.	

*A detailed analysis of equipment costs can be found in the Annotated Model Grant Agreement (Chapter 3, Article 6.2.C.2).*

### 3.8.9. Estimate Other Goods, Works and Services Costs

This cost category covers anything that you cannot include elsewhere and is still eligible. Typical costs for other goods and services involve but are not limited to:

- consumables and supplies (e.g. raw materials etc.).
- dissemination costs (e.g. access to research data, project web site, printing costs for leaflets, conference costs etc.).
- Intellectual property rights (IPR) (e.g. IP consultants, Patent Attorneys, trademark and patent costs).
- Certificates on financial statements (CFS) and certificates on methodology (only if necessary).
- Translation costs (if translation is necessary for the action's implementation, is justified, etc.).

*A detailed analysis of other costs can be found in the Annotated Model Grant Agreement (Article 6.2.C.3).*

### 3.8.10. Other Cost Categories

This is the special category that includes all costs specific to certain calls or projects.

*Such costs are very specific, and you can find a more detailed description for them under Article 6.2.D of the Annotated Model Grant Agreement.*

## 3.9. Project Work Breakdown & Budget

### 3.9.1. Decision Making Process in a Consortium

Every Horizon Europe proposal (Part B) has 3 sections:

- Excellence
- Impact
- Implementation

Part B (in proposal phase, Description of Action in implementation phase) details the structure and content of the work to be undertaken, the specific tasks, the objectives, deliverables, milestones and resources. It is vital to present a viable work plan, with explicit deliverables and KPIs (Key Performance Indicators) that will help you and the project reviewers monitor and measure the progress and success of your work. You should be very clear and explicit in every action you describe and make sure you will be able to implement it into the highest quality.

The full DoA of a successful proposal will become a part of your Grant Agreement and therefore it will legally bind the consortium and each partner specifically to implement what is described. Minor changes may be made with the consent of the Project Officer (the designated person from the EC who will supervise your project). More important changes in the project implementation, a partner change or a major shift in the scope of the project will have to undergo a more rigorous process and require a formal change or “amendment” of the Grant Agreement.

Since most Horizon Europe projects are collaborative, requiring many partners from different countries and cultures working together, it is important to make sure you that you understand what your role in the project is and what is required from you. Estimate the work that needs to be done and who in your team is going to be involved. In case you lack the expertise needed to complete the work, anticipate hiring new staff when the project starts.

In Horizon 2020 the management structure of a consortium was described in detailed in Section 3.2 Management Structure and Procedures. In Horizon Europe however, you do not have adequate space to describe the management structure in detail.

Regardless, the consortium (especially a big one) will certainly need a decision-making structure and process. This can now be described in the Consortium Agreement. Although each consortium suggests its own management structure, there are usually standard groups in all projects, such as:

- 1) **General Assembly:** A body comprised of all partners. Each partner is represented by one representative. Usually each partner has one vote, although the role of the partner in the consortium (based on his/her percentage of participation in the time allocation and/or budget) is also important.
- 2) **Steering Committee/Executive Board:** this is the supervisory body responsible for the execution of the project. It reports and is accountable to the General Assembly. The Executive Board consists of the Project Coordination Team, and the Technical, Sustainability, Innovation, and Dissemination Managers, along with any other role(s) deemed necessary by the specificities of the project.

- 3) **Project Management Office/Coordination team:** This team is comprised of the Project Coordinator, the Deputy Project Coordinator and the Financial Manager. The Project Coordination Team is responsible for taking the final decisions towards the smooth implementation of the project. This team also acts as an intermediary between the project partners and the European Commission.
- 4) **External Expert Advisory Board (EEAB):** Many projects create external advisory boards that bring together various stakeholders, to ensure that their work stays under the agreed scope and benefits from useful feedback from end users.
- 5) **Work Package (WP) Working Groups:** the expert and research teams of the partners form technical groups to implement the real work of the project. Usually, the relevant WP leaders or a technical expert from the Steering Committee leads each group.

### 3.9.2. Work Breakdown Structure

In order to estimate the budget of the project you need to start from the work you are going to perform in the project. The analysis of the work of the project into Work Packages and Tasks is usually done by the coordinator and the core writing team of the project. However, all partners need to identify the activities (tasks) of the project they will be involved and what exactly they want to achieve in terms of deliverables.

Your task as a beneficiary of a consortium will be to estimate the person months that you want (need) to allocate in every task in order to complete the project successfully. This is usually done in a template that the coordinator makes available. In the below example Partner 3 is accepted to the project and has to allocate person months in the 9 Work Packages:

- You can see that the most months are allocated in WP7 which is the WP that this partner will have the biggest involvement.
- No work is anticipated from Partner 3 in WP3, WP4, WP5, WP6 and WP8.
- Minor work in WP1 (Project management) and WP2 (Work Package name).

	WP1	WP2	WP3	WP4	WP5	WP6	WP7	WP8	WP9	Total
COORD	17,0	3,0	26,0	0,0	2,0	0,0	8,0	0,0	2,0	58
PART 2	1,0	4,0	12,0	10,0	3,0	1,0	0,0	14,0	1,0	46
PART 3	2,0	2,0	0,0	0,0	0,0	0,0	32,0	0,0	6,0	42
PART 4	3,0	1,0	0,0	0,0	17,0	17,0	2,0	0,0	2,0	42
PART 5	1,0	0,0	0,0	3,0	10,5	9,0	5,0	0,0	5,5	34
PART 6	2,0	21,0	2,5	1,0	2,0	0,0	2,0	4,5	4,0	39
PART 7	1,0	0,0	2,0	0,0	0,0	0,0	0,0	0,0	12,0	15
PART 8	1,0	2,0	2,0	5,0	2,0	0,0	2,0	4,0	2,0	20
PART 9	2,0	0,0	6,0	18,0	0,0	0,0	2,0	2,0	2,0	32
Total	30,0	33,0	50,5	37,0	36,5	27,0	53,0	24,5	36,5	328

*A reminder: What is a Person Month (PM)*

*One Person working for 3 months (Full time) = 3 PM*

*3 Persons working for 1 month (Full time) = 3 PM*

*6 Persons working for ½ month = 3 PM*

**ANY DURATION**

### 3.9.3. Proposal Budget

Preparing the budget for a proposal is a collaborative exercise and each participant is responsible for their own element. The coordinator has the overall responsibility for the proposal and will work with all participants to reach a budget that is balanced and follows restrictions in the call. In the end, the budget will resemble the following table. Remember that the budget is evaluated against its coherence and effectiveness so you should keep in mind the following:

- Allocate your resources according to the scope of the proposal (do not under- or over-estimate).
- If you need to use subcontracting, justify its use as extensively as possible.
- Make sure you anticipate enough effort for the management and reporting.
- Try to explain all items in as much detail as possible to avoid raising questions from the proposal reviewers.

The above example is from a real project (for confidentiality reasons the names of the partners are redacted). Remember that these numbers are just estimations. Based on the effort and further costs you can then estimate a **maximum grant amount**. As mentioned earlier, depending on the total estimated eligible costs (H) and the reimbursement rate of the action, your organisation is entitled to either 70% or the 100% of the amount as a grant. (In our example above, the rate is 100%).

This in no case means that EC will give you this entire amount. A grant is not a prize. The final grant amount **"depends on the actual extent to which the action is implemented in accordance with the**

**Grant Agreement's terms and conditions"**. So, to receive the full amount of this grant you have to implement all the actions you have described in the DoA and make sure that all costs associated with them are actual and eligible for this action.



No.	Name of beneficiary	Country	Role	Personnel costs/€	Subcontracting costs/€	Purchase costs - Travel and subsistence /€	Purchase costs - Equipment/€	Purchase costs - Other goods, works and services/€	Financial support to third parties/€ (actual cost)	Internally invoiced goods and services/€ (Unit costs-usual accounting practices)	Indirect costs/€	Total eligible costs	Funding rate	Maximum EU contribution to eligible costs	Requested EU contribution to eligible costs/€	Max grant amount	Income generated by the action	Financial contributions	Own resources	Total estimated income
1	International Development Ireland Limited	IE	Coordinator	277,300		8,000				2,500,000	71,325	2,856,625	100	2,856,625	2,856,625	2,856,625				2,856,625
2	F6s Network Ireland Limited	IE	Partner	244,400		7,000					62,850	314,250	100	314,250	314,250	314,250				314,250
3	Iceberg Plus Srl	RO	Partner	77,000		7,000					21,000	105,000	100	105,000	105,000	105,000				105,000
4	Australo Interinnov Marketing Lab Sl	ES	Partner	222,000		7,000		8,000			59,250	296,250	100	296,250	296,250	296,250				296,250
5	Bwcon GmbH	DE	Partner	260,700		7,000		35,000			75,675	378,375	100	378,375	378,375	378,375				378,375
6	Fundacion Tecnalia Research & Innovation	ES	Partner	206,400		7,000		6,000			54,850	274,250	100	274,250	274,250	274,250				274,250
7	Zentrum Fur Soziale Innovation GmbH	AT	Partner	140,400		7,000		4,000			37,850	189,250	100	189,250	189,250	189,250				189,250
8	European Public Law Organization	EL	Partner	226,800		7,000		30,000			65,950	329,750	100	329,750	329,750	329,750				329,750
9	Cluster Cap Construction	BE	Partner	59,400		7,000					16,600	83,000	100	83,000	83,000	83,000				83,000
10	Materialia	FR	Partner	59,400		7,000					16,600	83,000	100	83,000	83,000	83,000				83,000
11	Associacio Cluster De Materials Avancats De Catalunya	ES	Partner	63,800		7,000					17,700	88,500	100	88,500	88,500	88,500				88,500
			TOTAL	1,837,600	0	78,000	0	83,000	0	2,500,000	499,650	4,998,250		4,998,250	4,998,250	4,998,250	0	0	0	4,998,250

Figure 13: Horizon Europe Project Budget

HE WBS-Budget Template **XLSX** Last edit was on May 25

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A	B	C	D	E	F	G	H	I	J	K
#	Name	Short Name	Country	Type	PIC	Person-Month (PM)	PMonths	Total Budget	Funding Rate	Grant
1	COORD	COO	TR	SME		4,800.00 €		0.00 €	100.00%	0.00 €
2	PARTNER 1	PAR1	GR	SME		4,700.00 €		0.00 €	100.00%	0.00 €
3	PARTNER 2	PAR2		SME		5,500.00 €		0.00 €	100.00%	0.00 €
4	PARTNER 3	PAR3		SME		6,000.00 €		0.00 €	100.00%	0.00 €
5	PARTNER 4	PAR4		SME		8,000.00 €		0.00 €	100.00%	0.00 €
6	PARTNER 5	PAR5		RESEARCH		4,819.00 €		0.00 €	100.00%	0.00 €
7	PARTNER 6	PAR6		RESEARCH		7,800.00 €		0.00 €	100.00%	0.00 €
8	PARTNER 7	PAR7		PUBLIC		5,500.00 €		0.00 €	100.00%	0.00 €
9	PARTNER 8	PAR8		CLUSTER		5,400.00 €		0.00 €	100.00%	0.00 €
10	PARTNER 9	PAR9		CLUSTER		6,120.00 €		0.00 €	100.00%	0.00 €
11	PARTNER 10	PAR10		CLUSTER		4,000.00 €		0.00 €	100.00%	0.00 €
12							0	0.00 €		0.00 €
13										
14										
15										
16										
17										
18										

Partners WPs Deliverables Gantt WPs\_PMs Explore

### Template for Budget

You can use [this template](#) to experiment with Work Breakdown structure and budget preparation.

Once you have prepared your budget using the excel or google sheet, you will have to transfer it to the templates provided and electronically submitted through the F&T OP. This is a fairly simple process and usually the coordinator takes care of it.

You can see all the details and process of the [Electronic Submission System in the Horizon Europe Online Manual](#).

# 4. FROM PROPOSAL TO PROJECT: INVITATION TO A GRANT

## 4.1. What Happens After Submission?

Once you have submitted your proposal, the EC will go through an evaluation process which involves the following steps:

- 1. Admissibility Check:** the agency checks if your proposal is admissible - submitted via the system - and is complete (no part is missing), is readable, includes a PEDR (Plan for the Exploitation and Dissemination of Result) and falls within the maximum page limits.
- 2. Eligibility Check:** checks if your proposal is in line with the topic, the number of participants is as expected, etc.
- 3. Evaluation:** every proposal is checked by at least three independent experts (in the specific topic field) and a result is decided as a consensus group, where the experts agree on a common position.

**4. Selection:** At the end of the above process the EC will have a ranked list of proposals and depending on the budget of the call a list of proposals for funding will be drawn from the list.

**5. Invitation:** The EC will notify all proposal coordinators and send an Evaluation Summary Report (ESR) with the Evaluation Result Letter. Successful proposals will receive an invitation to start preparations for the Grant Agreement.

*The evaluation process can take up to 5 months and the grant preparation phase another 3 months. This means that from the moment you submit your proposal you may wait for up to 8 months to start your project IF this is successful.*

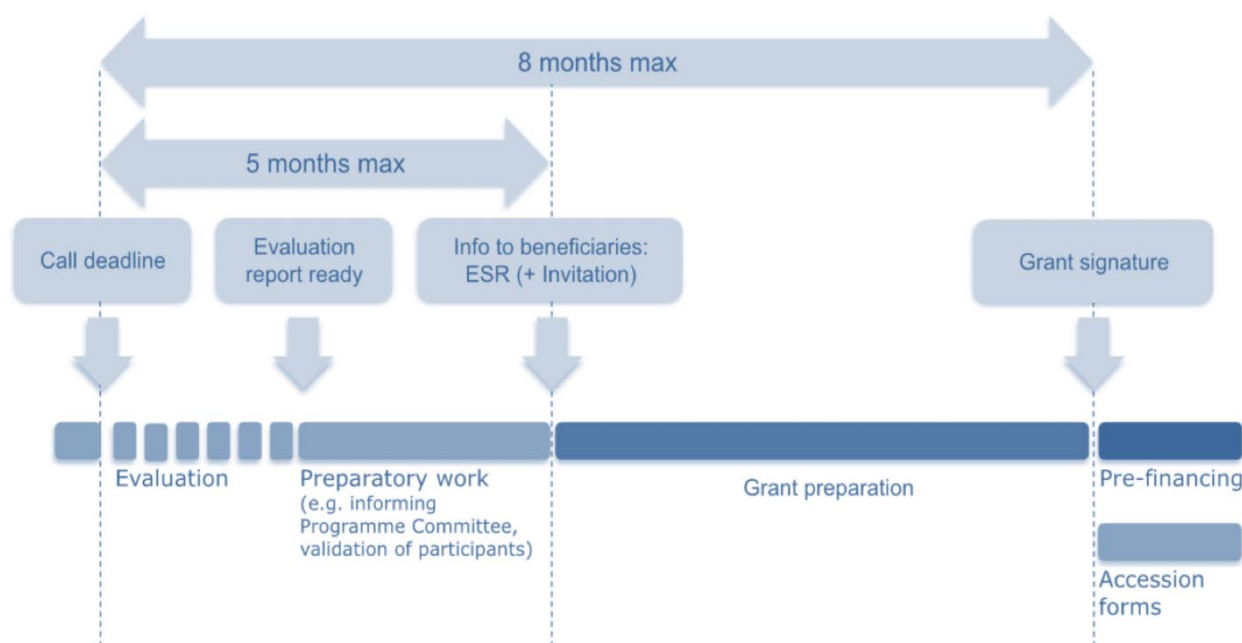


Figure 14: Evaluation and Grant Preparation process

## 4.2. Invitation to a Grant

Once your proposal is successful, you will be invited to sign a Grant Agreement. This is a preparation phase where all participants of the proposal must go through a number of actions. The whole process is electronic (except signature of the Consortium Agreement) and no hard copies or any travel for signatures is required.

The aim of this preparation phase is:

- **Validate** the participants by collecting any legal, administrative, and financial information required.
- **Appoint** LEAR, LSIGN and FSIGN.
- **Clarify** any additional points in the **Description of the Action** (DoA <sup>13</sup>) and the budget.
- Deal with any **Ethical Issues** such as human rights and protection of human beings, animal protection, data protection and privacy, environmental protection, malevolent use of research, etc.
- Allow time for the consortium to sign a **Consortium Agreement**.
- Verify the **Financial Capacity** of the Coordinator.

During this phase, the responsible Research Agency of the EC (REA, EISMEA, etc.) appoints a project officer to your project. He or she will be the **single point of contact with EC services**. He/she will support and help you throughout this phase.

### 4.2.1. Validating Your Organisation

To participate in Horizon Europe, you have to register your organisation in the F&T OP; to simplify the process, the EC does not require you to send any further documentation. When an organisation is registered in the F&T OP it has a **DECLARED** status which means that it can be found in the system and may participate in proposals. You do not need to send any hard/soft copy documents at this stage to the EC.

**Once (and only after) a proposal is successful** and an organisation participates in a winning consortium which will receive a Grant, a validation process is then needed. During this process, the REA (the Research Executive Agency) will request from the organisation's contact point (self-registrant) who registered organisation to the F&T OP and acquire PIC number, several supporting documents that will prove its legal status. Usually this will be a copy of an official document in an official EU language, such as:

Official gazette record of incorporation ('*Ticaret Sicil Gazetesi kaydı*'), company registration

document ('*Ticaret/Sanayi Odası faaliyet belgesi*'), etc. showing the legal name, address and national registration number.

VAT registration document (if the entity is not registered for VAT, the proof of VAT exemption, not older than 6 months).

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*An extensive list of the process and the documents required can be found [here](#).*

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*Legal entity form: According to the type of your institution, the relevant printed form should be filled from [the link](#), stamped and signed by your institution's authority and uploaded.*

---

*Validation is required for all participants of a consortium. Unless all partners are validated by the EC services, the Grant Agreement cannot be signed.*

### 4.2.2. Assigning Roles to People (LEAR & Signatories)

Along with the legal documents that prove your legal status, you also have to appoint representatives (first LEAR, then (P)L/FSIGNs) from your organisation that will be able to deal with legal and financial issues in relation to Horizon Europe projects.

Such roles may be connected to the whole entity (the organisation) or related to a specific project. Below you can see the main roles defined in the F&T OP. Each role has different access rights and signing privileges.

- Organisation Roles (whole entity)
  - o LEAR: Legal Entity Appointed Representative (only one) - EC validates
  - o AccAd: Accounts Administrator
  - o LSIGN: Legal Signatory (to sign GA and GA related documents)
  - o FSIGN: Financial Signatory (to sign Financial Reports)
- Project Roles (project specific)
  - o PCoCo: Primary Coordinator Contact (only one per project) - EC validates
  - o PLSIGN: Project Legal Signatory
  - o FLSIGN: Project Financial Signatory

<sup>13</sup> Description of the Action (DoA) or Description of Work (DoW) is the same thing.

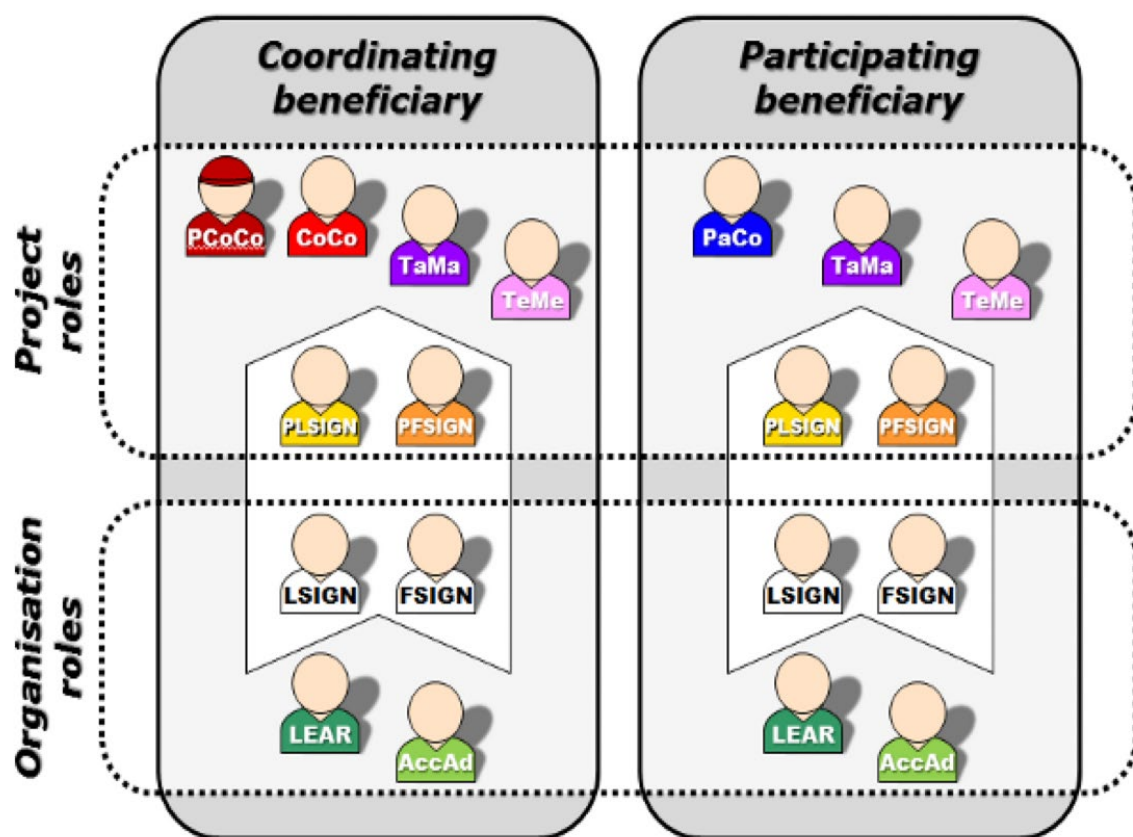


Figure 15: Roles in F&amp;T OP

The complete overview of roles and access rights of users in the F&T OP can be found [here](#).

### Legal Entity Appointed Representative (LEAR)

The most important of these roles is the Legal Entity Appointed Representative (LEAR). The LEAR is officially nominated by the organisation to manage rights and obligations related to the use of the Portal and to act as main administrative and legal contact in case of issues. Usually, LEARs are staff members in the central administration of the organisation. The LEAR handles all the organisation-related data on the Portal and appoints the persons within their organisation that are allowed to electronically sign grants/contracts and cost claims. **There can only be one LEAR per organisation.**

LEARs are validated by the Central Validation Service as part of the registration in the **Participant Register**. The whole process can be completed online, and no documents need to be sent in hard copies (This is new to Horizon Europe). The following documents are generated by the portal after you fill all the necessary fields and complete the relevant online session as long as you have portal access over self-registrant <sup>14</sup>:

the **LEAR appointment letter & LEAR role and duties** (dated and signed by the legal representative and the LEAR) the **declaration of consent to the Portal Terms and Conditions** (dated and signed by the legal representative) **copies of an official valid proof of identity** (ID-card, passport) with a photo and signature of the legal representative and the appointed LEAR documents proving the **authority of the legal representative**; these documents must: clearly indicate the **person's role/function within the organisation as legal representative**, identify and appoint the individual (by name) as the person covering that specific role/function. (Any document <sup>15</sup> that can prove the name of the director in a company and his/hers power to sign these documents.)

*The details of the appointment process and the documents required can be found [here](#).*

<sup>14</sup> If not, please contact with L&F NCP Team of Türkiye via [ncpfinance@tubitak.gov.tr](mailto:ncpfinance@tubitak.gov.tr)

<sup>15</sup> Equivalent of that document is: 'imza sirküleri' for some non-profit entities and private for profit organisations, law/decreed/decision showing the signature authorities in public bodies.

## Legal and Financial Signatories and Project Signatories

Appointing and validating a LEAR is very important since he/she will perform a key role for your organisation. The LEAR will in turn appoint the **Legal and Financial Signatory** of your organisation (LSIGN and FSIGN respectively). But this step is not enough since you must link the appointed LSIGNs and FSIGNs with specific projects. This can be done by the Coordinator of the project or the Participant Contact(s). So, each project will have

the **Project Legal Signatory** who has the right to sign the GA and any amendments, along with the **Project Financial Signatory** who can sign all the Financial Reports.

*For a full explanation of the roles detailed in the F&T OP you may [look at](#).*

The whole process is summarised in the diagram below:



### 4.2.3. Financial Capacity Assessment

The last step of the process is to check the financial capacity of the coordinator of the project and of any other partner the EC considers necessary.

The Commission always checks the financial viability of a project coordinator when the requested EU funding for the action is equal or superior to **€500,000** unless the coordinator is:

- a public body,
- a higher or secondary education establishment,
- an international organisation or body whose participation is guaranteed by the government of an EU country or associated country,
- a private individual in receipt of a scholarship.

The validation process checks to see if the organisation has sufficient liquidity, if it is financially autonomous, solvent and adequately profitable.

The documents that are required for the process are the Profit and Loss Statements (P&L) and Balance Sheets and any explanatory notes for the last two (2) closed financial years. All these documents are submitted online through the portal.

*You can find all the rules & details for PIC validation, LEAR appointment and FCA via [the guideline](#).*

## 4.3. Final Legal Preparations Before the GA

The whole process of Grant Agreement preparation and signing takes place online, through the EC's F&T OP modules. No travel to Brussels or elsewhere is required unless this is explicitly stated in the call. The steps you need to take are generally the same, with minor differentiations if you are a coordinator. Required steps are outlined in the following table:

	Coordinators (incl. sole applicants)	Beneficiaries
<b>LEAR</b>	Validate your LEAR	
<b>F&amp;T OP</b>	Assign through the system: Primary coordinator contact (PCoCo) Legal entity appointed representative (LEAR) Project Legal signatory (PLSIGN)	Assign through the system: Participant contact (PaCo) Legal entity appointed representative (LEAR) Project Legal Signatory (PLSIGN)
	PLSIGN must sign the Declaration of Honour	
	Check PIC Number of all	Check your PIC number
	Update Description of Action (DoA)	Check your data & updated DoA
	Make your bank account validate to EC and add it to GA data module	Provide bank account details to coordinator via signed & stamped FIF <sup>16</sup> form
<b>AGREEMENT</b>	Prepare and distribute the Consortium Agreement for discussion and signature	
	Sign the Consortium Agreement	

<sup>16</sup> [https://ec.europa.eu/info/publications/financial-identification\\_en](https://ec.europa.eu/info/publications/financial-identification_en)

The Consortium Agreement must be ready and signed by all consortium members before the signing of the Grant Agreement. A signed CA is mandatory for all collaborative projects, and it becomes part of the project's legal documentation.

#### 4.3.1. Legal Documents of the Project: Consortium & Grant Agreements

Every Horizon Europe project has two major legal documents – the CA and the GA - that describe in detail the obligations and rights of all consortium partners, what is expected of them (Description of Action), how much the work is expected to cost and how the reporting will take place. If you are the sole applicant, you do not of course need a CA. The following table explains what is included in each document:

DOCUMENT	WHAT'S IN IT?
<b>CONSORTIUM AGREEMENT</b> (Between ALL partners of a consortium)	<p><u>Responsibilities of parties and liability towards each other:</u> What rules partners should follow and what happens if they do not do so.</p> <p><u>Governance structure:</u> Organisational structure, management, meetings, decision-making process.</p> <p><u>Financial provisions:</u> budget distribution, provisions for payment, approval of reports</p> <p><u>Results:</u> Ownership of results, Intellectual Property management, dissemination</p> <p><u>Access Rights:</u> Background, foreground and exploitation of results</p> <p>Non-disclosure of information: <i>Confidentiality clauses</i></p>
<b>GRANT AGREEMENT</b> (Between EC and the Coordinator)	<p>Data Sheet:</p> <p>1/ General Data:</p> <p>Project Summary / Keywords</p> <p>Project number / Project name / Project acronym</p> <p>Call / Topic / Type of action</p> <p>Granting authority / Grant managed through EU Funding &amp; Tenders Portal</p> <p>Project starting date / Project end date / Duration</p> <p>2/ List of participants / Coordinator</p> <p>3/ Grant: Maximum grant amount, total estimated eligible costs and contributions and funding rate, Grant form, mode, budget categories, costs eligibility options</p> <p>4/ Reporting, payments and recoveries</p> <ul style="list-style-type: none"> <li>- Continuous reporting (art 21) / Periodic reporting and payments</li> <li>- Reporting and payment schedule</li> <li>- Prefinancing payments and guarantees</li> <li>- Reporting and payment modalities</li> <li>- Financial Certificates</li> </ul> <p>5/ Consequences of non-compliance, applicable law &amp; dispute settlement forum</p> <p><u>Main Text:</u> Rights and obligations of partners related to the administration of the Grant (reporting, reviews), division of roles, eligibility of costs and other legal provisions.</p> <p><u>Annex 1 - Description of the Action:</u> composed of the originally submitted Proposal, including the individual Work Packages and deliverables and the milestones of the individual Project.</p> <p><u>Annex 2 - Estimated budget for the action:</u> the budget form as submitted in your proposal and updated (if needed).</p> <p><u>Annex 2a Additional information on unit costs and contributions</u> (if applicable)</p> <p><u>Annex 3 - Accession Forms:</u> primarily a form to be signed by those Project Participants acceding to the Grant Agreement</p> <p><u>Annex 3a Declaration on joint and several liability of affiliated entities</u> (if applicable)</p> <p><u>Annex 4 - Model financial statements:</u> The financial forms that partners should use to declare their costs.</p> <p><u>Annex 5 Specific rules</u> (if applicable)</p> <p><u>Annex 6 Investment Agreement</u> [OPTION only for HE EIC Accelerator Blended Finance]</p>

As you can see, all information related to the project and its implementation is detailed in the above documents, so every partner should make sure that it has read and understood these documents and the obligations deriving through them.

### 4.3.2. Consortium Agreement

The **Consortium Agreement (CA)** is a compulsory legal document for all multi-beneficiary project consortiums. So, if you are not sole beneficiary in the project (as you would be in the EIC Accelerator, for example) then you will need a Consortium Agreement. This document describes how you are going to collaborate with the rest of the partners in the consortium and sets the framework for a successful and trouble-free collaboration throughout the project.

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*Although the CA is not needed before the start of the project, it is highly recommended that the document is prepared and signed even at the proposal preparation phase. This is especially the case for larger consortia; it is a good practice, and such a document can serve as a good basis for progressing the project. You can always update the CA or even sign a revised version once the proposal is successful.*

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The Consortium Agreement regulates the rights and obligations each participant has according to the management structure of the project, the financial management as well as issues like confidentiality, liability, and Intellectual Property.

All project participants are signatories of the Consortium Agreement. The European Commission does not participate in the CA. It is important to remember though that *the Grant Agreement has precedence over the Consortium Agreement*.

You do not have to draft a CA from scratch; there are at least three Model CAs available as a template, which have been developed by stakeholder groups and institutions. We cover the most well-known and freely available in the table below. The most popular (and recommended) is the **DESCA Model** Consortium Agreement, developed by a group of National and European Research and Technology Organisations, but depending on the scope of your project you may find another model more relevant.

MODEL	PURPOSE & SPECIALISATION	KEY POINTS
<b>DESCA</b>	Appropriate for most cases. Works well with Academic Institutions.  Initiated by FP7 Stakeholders, maintained by DESCA Core Group and Coordinated by Fraunhofer (DE).	<ul style="list-style-type: none"> <li>• One balanced core text</li> <li>• Two modules for Governance Structure (size / complexity)</li> <li>• Optional clauses</li> </ul>
<b>MCARD-Europe</b>	Developed by DIGITAL EUROPE group and most appropriate for ICT Projects.  Maintained and supported by DIGITAL EUROPE Group that represents the digital technology industry.	<ul style="list-style-type: none"> <li>• IPR, liability and software sections different to DESCA</li> <li>• Access rights to foreground much broader</li> <li>• Access rights to side ground are granted</li> </ul>
<b>EUCAR</b>	Developed and supported by the European Council for Automotive R&D, it is more customised to projects in related sectors.	<ul style="list-style-type: none"> <li>• IPR provisions strongly favour commercial project participants</li> <li>• Customised for EUCAR Members</li> </ul>

The recommended DESCA Model Agreement offers an annotated template with clarifications and comments which may be used to modify your CA accordingly.

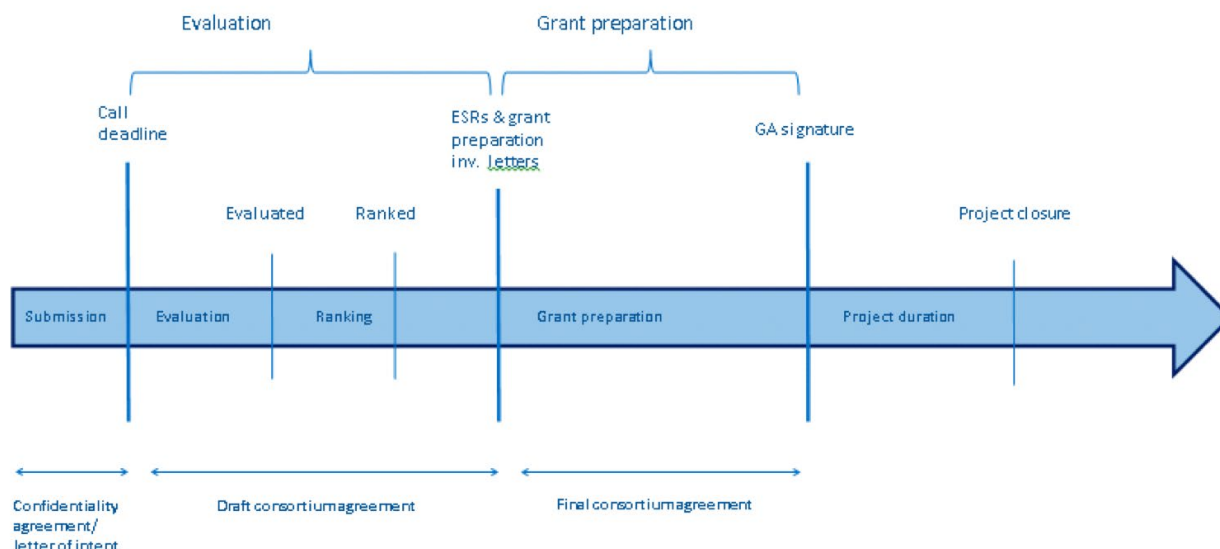


Figure 16: The timeline for the preparation of the Consortium Agreement

#### 4.3.3. What Should be Covered in Your Consortium Agreement

You should include in the CA the **internal organisation and decision-making process** of your consortium. Provisions usually cover:

##### Governance

- o **Management bodies** that will exist: General Assembly, Steering Group, Executive Committee, Management board, Scientific board, Advisory board, etc. You are free to define your own in accordance with what you have described in your proposal (in the Implementation Section).
- o The **powers and responsibilities** of these bodies and their voting rules.

##### Project Management – Conflict Resolution

- o How often **meetings** will be held and what their purpose will be (Management, Scientific, etc).
- o How parties will **communicate** and correspond with each other and the management bodies.
- o How the project will be followed up and **supervised**.
- o **Conflict resolution**. What happens if problems arise. (e.g. how will a defaulting partner be removed)

##### Project Implementation

- o among the partners and the role of each partner. You may refer to the Description **Division of work** of Work (DoW) document or your submitted proposal, but make sure it is a final version of the document, time stamped and protected from future changes (e.g. a timestamped and digitally signed PDF).

##### Financials

The Coordinator of the project has the responsibility for the sound financial management

of the project. In this sense any provisions that can clarify budgetary and cost issues should be also included.

- o **Payments**: When and how payments received from the Commission/Agency will be distributed.
- o Planned **'contributions in kind'** by beneficiaries.
- o **Receipts**: Sometimes income may be generated during the project. When qualified income arises, it will be considered at project-level, (and NOT at beneficiary-level). Income at beneficiary level may mean the original grant for the project could be reduced because of the EC's non-profit rule. Therefore, if such receipts are expected, the consortium agreement should set out how this will be managed.

##### Intellectual Property and Exploitation of Results

- o **Confidentiality issues** and what kind of knowledge and knowhow you bring to the project.
- o The CA should contain the background knowledge each partner intends to contribute to the project.
- o You should carefully consider Intellectual Property Rights associated with the exploitation and dissemination of results.
- o Include **liabilities and penalties**. It should cover each party's liability for actions or omissions in the project (and possible guarantees, indemnities and penalties).

#### 4.3.4. Key Points to Remember

**Important issues** to take into consideration when you prepare your Consortium Agreement:

**The European Commission does not participate in the CA.** Agreement is only among beneficiaries of the Grant.

Your CA should be complementary to the grant agreement and NOT contradictory. It must not contain any provisions that go against the GA.

A **CA is a legally binding document for the consortium members**. Make sure you include all parties' rights and obligations. Nothing should be taken for granted.

It must be signed **before the signature of the Grant Agreement** and it is recommended to start working on it even at the proposal stage.

#### 4.3.5. Model Grant Agreement

This is the standard contract signed between the EC and the project beneficiaries. It defines the basic conditions for the project financing. In Horizon Europe EC adopted a new Model Grant Agreement redesigned to cover all different schemes and actions.

The new model Grant Agreement includes some significant key changes compared with the H2020.

**One single document (MGA)** with common structure and rules compared with different model Grant Agreement templates in H2020.

**Common terminology across all programmes. Definitions included in Article 2. Differences in rules clearly defined in the Annotated Model Grant Agreement.**

A new **Data Sheet** to summarise the key information of the project (Acronym, title, dates, beneficiaries, financials, reporting and payment schedule).

**Simpler financial rules:** A single formula for personnel costs, monthly declarations instead of timesheets, acceptance of internally invoiced goods and services, changes in Certificate of Financial Statement.

**Open Science** and exploitation of results embedded in the Grant Agreement with a mandatory Communication and Dissemination Plan, clear path for exploitation of R&I results, mandatory open access to peer-reviewed publications, open access publishing platform,

European Open Science Cloud (<https://eosc-portal.eu>).

Provisions for easier **international cooperation** to promote links with countries strong in science and technology but geographically distant.

A streamlined **System and Process Audit (SPA)** in order to detect errors and irregularities early in the process based on the internal control system of the beneficiaries.

Clear reference to **EU values**: respect for human dignity, freedom, democracy, equality including, equal opportunities between men and women, the rule of law and human rights, including the rights of minorities is now a required commitment from all beneficiaries.

The Grant Agreement consists of the **Core Part** of the following **Annexes**:

**Annex 1: Description of the Action**, composed of the originally submitted Proposal, including **Part A** – The administrative forms and **Part B** the technical proposal with the individual Work Packages and Deliverables and the Milestones of the Project.

**Annex 2: Estimated Budget for the Action.**

- o Annex 2a: Additional Information on Unit Costs and Contributions.

**Annex 3: Accession Forms** a form to be signed by those Project Participants acceding to the Grant Agreement.

- o Annex 3a: Joint liability of affiliated entities.

**Annex 4:** Model financial statements.

**Annex 5:** Special Rules.

#### Who Participates in the Grant Agreement?

Not all partners participate in the Grant Agreement. There is a clear distinction between beneficiaries and entities linked with them.

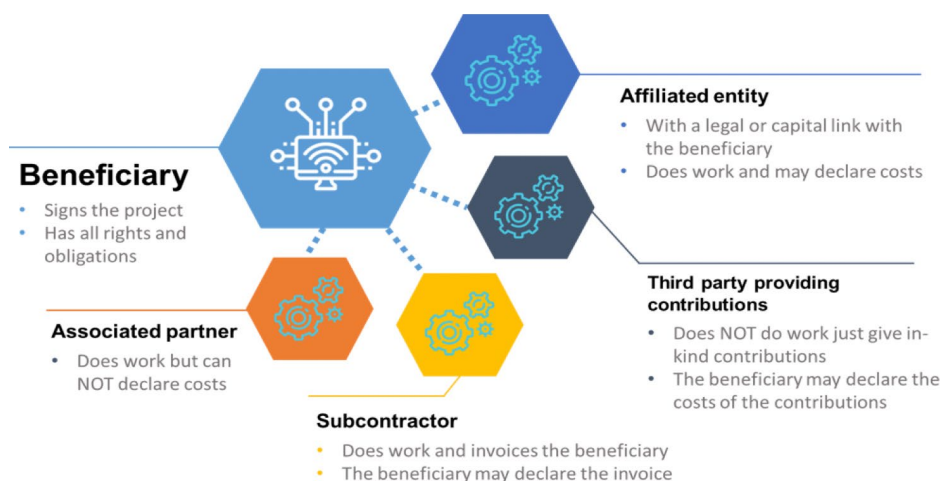


Figure 17: The parties of the Grant Agreement and their relation to the beneficiaries.

Entity	Status	Funding	Rights / Obligations	Sign GA
Affiliated Entity	Linked to a beneficiary (BEN)	YES	Beneficiary	NO
Associated Partners	No need for legal links with BEN	NO	Not necessarily	NO
No legal personality	Exceptional participation	YES	Guaranteed by Representative	YES
EU Bodies	Entities under EU law	YES	Beneficiary	YES
JRC	No participation in Preparation	NO	Beneficiary	YES
Associations	Entities composed of Members	YES	Sole Beneficiary	YES

### Who Signs the Grant Agreement?

Signatories of the Grant Agreement are the European Commission (as the EU's representative) and the Coordinator. Under Horizon Europe, the Grant Agreement is signed only electronically.

Additional Project Participants accede to the treaty by signing the "Accession Form" (Annex 3) and are thereby liable to the same rights and duties as described in the Grant Agreement. This equally applies for parties from a third country, which receive no project funding from the EU and are subject to the Grant Agreement as "beneficiaries not receiving EU funding".

**European Commission adopted the Corporate Grant Agreement Model to harmonise the contractual models and guidance for all post-2020 programmes.**

This approach has some important advantages:

- Uses the same terminology across programmes.
- Ensures uniform and consistent interpretation of rules.
- Allows equal treatment of beneficiaries.
- Creates synergies between programmes.

- Builds on the standardisation of post-2020 basic acts.
- Offers specific options for some programme specificities.

The Grant Agreement is certainly a heavy, demanding and sometimes confusing document especially to newcomers in Horizon Europe projects. Nevertheless, you should read it carefully and make sure you understand it since all the rights and obligations you have towards the EC are described there.

In contrast with Horizon 2020 where each programme had its own Grant Agreement template, in Horizon Europe we have a more universal approach, and all specificities are consolidated in Annex 5.

To help beneficiaries demystify these legal documents, the EC has prepared an **Annotated Model Grant Agreement** with extensive explanations, different use cases and examples. It is the best available source of information for project implementation under Horizon Europe.

The new corporate Model Grant Agreement for Horizon Europe has 6 chapters and 44 articles organised in sections.

1/ GENERAL	2/ ACTION	3/ GRANT	4/ GRANT IMPLEMENTATION		
			1/ CONSORTIUM	2/ RULES	3/ GRANT ADMIN
1/ Subject 2/ Definitions	3/ Action 4/ Duration and Starting Date	5/ Grant 5.2 Max Grant Amount 5.3 Funding Rate 5.4 Estimated Budget 6/ Eligible Costs 6.1 In-Kind Contributions 6.2 Eligible Costs 6.3 Ineligible Costs	7/ Beneficiaries 8/ Affiliated Entities 9/ Other Participants 10/ Participants with Special Status	11/ Proper Implementation 12/ Conflict of Interest 13/ Confidentiality & Security 14/ Ethics & Values 15/ Data Protection 16/ IPR – Background and Results 17/ Communication & Visibility 18/ Specific Rules	19/ Obligations 20/ Record Keeping 21/ Reporting 22/ Payments – Recoveries 23/ Guarantees 24/ Certificates 25/ Checks, Reviews, Audits 26/ Impact Evaluations
5/ CONSEQUENCES OF NON-COMPLIANCE				6/ FINAL PROVISIONS	
1/ REJECTION & GRANT REDUCTION	2/ SUSPENSION & TERMINATION	3/ OTHER CONSEQUENCES	4/ FORCE MAJEURE		
27/ Rejection of Contributions 28/ Grant Reduction 37/ Security 38/ Visibility 39/ Personal Data 40/ Claims	29/ Payment Deadline Suspension 30/ Payment Suspension 31/ Grant Agreement Suspension 32/ Grant Agreement of Beneficiary Termination	33/ Damages 34/ Admin Sanctions	35/ Force Majeure	36/ Communication between parties 37/ Interpretation of the Agreement 38/ Calculation of Periods and Deadlines 39/ Amendments 40/ Accession of new Beneficiaries	41/ Transfer of Agreement 42/ Assignments of Claims 43/ Applicable law 44/ Entry into force

Table 8: Horizon Europe Corporate Model Grant Agreement Structure

In this section, we provide some clarification on the most important articles. Not all articles are covered since most of them are self-explanatory.

## Articles 1 - 6: Action, Duration, Budget, Grant and Eligibility of Costs

The 3 chapters in the GA state the basic information on the project, who is participating in this agreement, the data of the legal entities, the start date and duration of the project and finally the budget, the awarded grant and the eligibility of costs.

The project **Start Day** is fixed by the EC, unless you negotiate something different. It is usually the first day of the month following the date<sup>17</sup> when the last party signs the Grant Agreement (EC).

The **End Date** identifies the end of the period for implementation of tasks. Even after this date the beneficiaries must submit reports and transfer payments (**project closure**).

**Estimated budget** is calculated based on the estimated eligible costs you submitted with your proposal budget (Annexed to the GA).

**Maximum Grant Amount** is determined by the above costs. Total estimated costs multiplied with the funding rate (70% or 100% depending on the action).

---

*The Maximum Grant Amount can never be increased - even if your costs are higher.*

---

- Your **proposal budget** is an **estimation**. This means that by the time of project implementation and reporting, many things may have changed. You can declare costs that are different from the original and even transfer budget between partners or between some categories.
- Budget clauses are listed under Article 5.
- Actual budget tables are in Annex 2.

---

*Remember that this is the maximum amount that the EC can award you. That does not necessarily mean it will be the actual amount you will receive. This will be calculated based on the eligible costs you will declare by the end of the project.*

---

Although budget transfers and other minor changes are allowed mostly without an **amendment** of the GA, if there is significant change in the Description of Action (DoA) then an amendment is necessary. The Annotated GA provides some examples, but best practice is to discuss this with your Project Officer (PO).

The **Final Grant Amount** - the amount of money you will actually receive - is calculated by the agency after the end date of the project (During Closure) in 4 steps:

**Step 1:** Total Eligible Costs multiplied by Reimbursement Rate [70% or 100%]

**Step 2:** Limit to Maximum Grant Amount

**Step 3:** Reduction of the amount if the project made any profits [no profits are allowed under EC rules]

**Step 4:** Reduction there have been substantial errors, irregularities, fraud, etc. [EC's Decision]

**Eligibility of Costs is explained in the following main Section of this document.**

## Articles 7 – 26: Grant Implementation (Chapter 4)

These articles (7-26) are all under Chapter 4, which deals with the rights and obligations of the parties implementing the action. It deals with compliance rules, resources, 'in kind' contributions and financial supports to third parties.

Beneficiaries must comply with the laws in BOTH their country of operation and of the country the action is implemented in.

The beneficiaries can purchase goods, works or services, use in-kind contributions from third parties, subcontract some work, or use international partners or linked third parties. [Article 8]

---

*Beneficiaries using third parties remain fully responsible for them under the GA.*

---

**Project management** - Coordination and administration tasks are considered **action tasks** and cannot be transferred.

Beneficiaries can purchase goods (e.g. a computer), works (i.e. building infrastructure) or services needed to carry out the action, including the purchase of consumables and supplies. Such contracts must be limited in scope since they are just supporting to the action.

In principle subcontracting should be avoided in Horizon Europe. To be acceptable it must be explicitly mentioned in the DoA. If it was not mentioned in the beginning an Amendment will be necessary. Subcontractors are NOT beneficiaries and therefore have no direct obligations under the GA. Moreover, their price usually contains a profit margin which is against Horizon Europe principles.

<sup>17</sup> The Date GA "enters into force".

---

*More on subcontracting can be found under Article 6.2.B and Article 9.3 in the Annotated MGA.*

---

Third parties affiliated to a beneficiary, like a subsidiary, can participate in the project. Their obligations are the same as for beneficiaries. Articles 8 covers these cases.

Article 9 covers the specific case that involves other participants like third parties giving in-kind contributions to the action.

### **Articles 11 – 18: Rules for carrying out the action (Chapter 4, Section 2)**

Section 2 of Chapter 4 deals with the administration of the grant and the rights and obligations associated with them. Obligations relating to things like Conflict of Interest, Confidentiality & Security, Ethics & Values, Data protection, IPR, Communication & Visibility Requirements. During the implementation of your project, you need to pay attention to the following:

Apart from your obligation to protect the results of your project, you need to ensure adequate visibility of the action. This is done by referencing EU funding in any communication, patent application, trademark registration, publication, etc. relating to the project and its outcome(s).

*The wording may vary according to the specific instance, but in general it usually takes this form: "This project has received funding from the European Union's Horizon Europe research and innovation programme under grant agreement No XXXXXX".*

Any **dissemination of results** must include a disclaimer and indicate that it 'reflects only the author's view and that the Agency is not responsible for any use that may be made of the information it contains'.

---

*For the specific wording and layout when acknowledging EU funding you can refer to [this page](#) of European Research Executive Agency.*

---

This section also covers the transfer and licensing of results and access rights in Article 16.

- **Ethical issues (Article 14)** are also an important aspect, especially for projects in health or security areas. Beneficiaries also must comply with security related obligations, especially if they are working with classified information.

---

*Special attention should be paid to the Processing of Personal Data (Article 15). Find more on Data protection (including new GDPR regulation) at [this link](#).*

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### **Articles 19 – 26: Grant Administration (Chapter 4, Section 3)**

**Rigorous record keeping** is paramount for Horizon Europe. The Consortium is obliged to implement an effective system to store and exchange information and be able to present any required data to the EC.

Records must be kept for 5 years after the payment of the balance of the project and should include: Contracts, subcontracts, invoices, accounting records, timesheets and/or declarations for working full time, certificates of methodology and any other document you believe may be relevant.

You should always keep an open communication channel with your Project Officer from the EC (PO) and immediately inform the EC of any events that may delay implementation, or any changes in the legal, financial, technical or organisational structure of your consortium and each beneficiary.

**Reporting and Payment** requests are covered in Article 21 & Article 22. Usually there are two kinds of reports:

- **periodic reports** - after the end of each reporting period (including the last one)
- **final report** - at the end of the action.

Each report consists of **technical** and **financial** reporting parts. It is submitted within 60 days after the end of each reporting period. Reporting periods are clarified in your GA.

---

*All reporting costs must be in Euro using the exchange rates according to [the official rate of the European Central Bank](#).*

---

Horizon Europe projects offer a **pre-financing payment**. This means that the Coordinator (not the individual beneficiaries) will receive a fixed amount (stated in the GA) usually **40-50%** of the total grant. At the point of the pre-financing an amount corresponding from **5% to 8%** of the maximum grant amount **is deducted** from the pre-financing payment and transferred to the EC's **Mutual Insurance Mechanism (MIM)**.

The amount of Interim payments will be calculated based on costs declared in the financial statement,

but the total amount of **pre-financing and interim payments cannot exceed 90%** of the max grant.

The EC has a payment deadline which is **90 days** from the day the reports are received, but time stops when the technical reports or financial reports are not complete or additional information is needed, or there is doubt about the eligibility of the costs declared in the financial statements and additional checks, reviews, audits, or investigations are necessary.

Even after the end of the project the EC may at any time up until 2 years after the payment of the balance (final payment) carry out an audit. The EC will notify the beneficiary of their intention to audit if this is the case. Audits normally concentrate mainly on the financial implementation of the action by a beneficiary (i.e. financial and budgetary implementation), but may also cover technical aspects or compliance with other obligations under the GA.

### **Articles 27 – 35: Consequences of Non-Compliance**

This section is used mainly to describe in more detail some of the clauses that have been previously mentioned and to provide the necessary legal provisions to the agreement.

Articles 27 – 32 describe how and when the EC may reject your costs because of ineligibility and how there may even be a reduction of the maximum grant amount due to major and/or substantial errors. Articles cover penalties and liabilities, ranging from suspension of payments to the termination of the action.

Article 39 deals with Amendments to the GA and the procedure you must follow. Some indicative cases where an amendment is necessary:

- o Change or removal of a beneficiary.
- o Change of starting, end day, duration or reporting periods.
- o Change of name of a beneficiary.

---

*The best and most comprehensive source for extensive and detailed information on every case, with examples and explanations, is the Annotated Model Grant Agreement. You should use this document to have an overview of the articles and structure of it, but you should study very carefully both the Annotated Model Grant Agreement and the Grant Agreement of your own project.*

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# 5. PROJECT IMPLEMENTATION

## 5.1. Grant Management

After all parties have signed the Grant Agreement the project starts. The starting day of the project is the 1<sup>st</sup> day of the month after the final signature

(EC). The **Continuous Reporting** system becomes available in the Funding and Tender portal, and all partners can access it and report their progress.

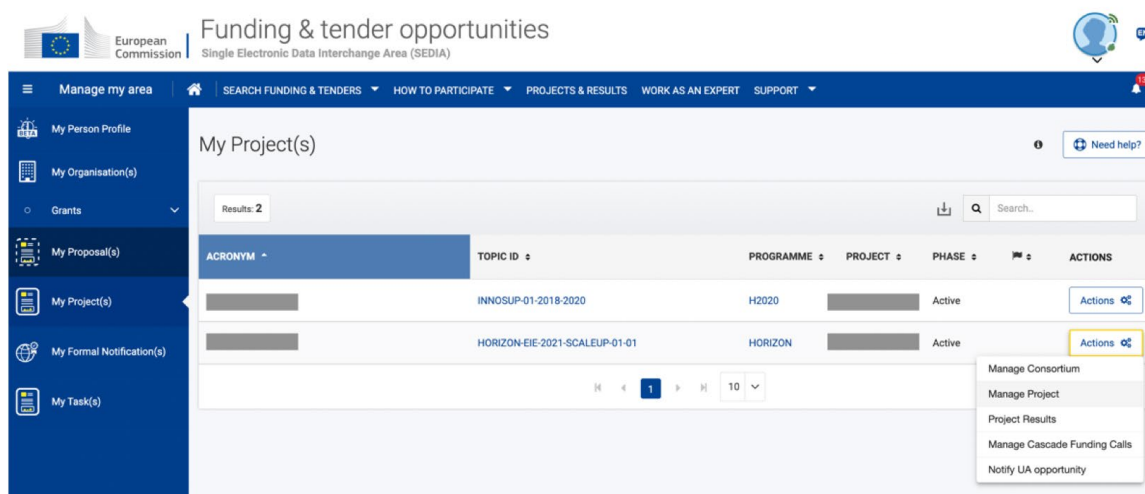


Figure 18: All the projects of your organisation will appear in this list. You can see the actions available from the menu in the right.

The reporting and grant management of the project is a duty of the coordinator; however, beneficiaries need to know how to navigate the

system and contribute or download any required documents.

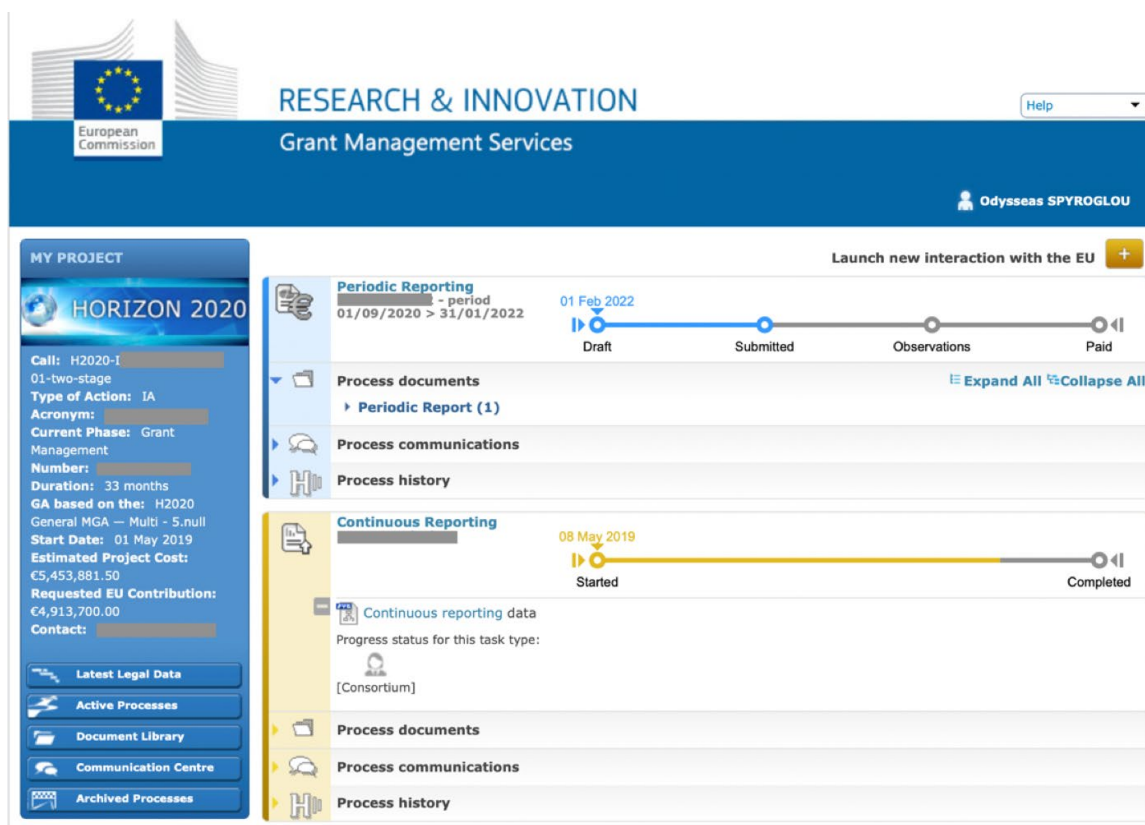


Figure 19: The Grant Management opens in a new window, and you can access all the project processes that are active. You also have access to the whole documentation of the project and every communication/ message sent by the EC.

*A detailed presentation of the Funding & Tender portal and the Grant Management System are available in [these links](#).*

One of the most important issues in financial management in Horizon Europe is undoubtedly the eligibility of costs. What kind of expenses can a beneficiary declare in a project and how? Horizon Europe does not offer any explicit Financial Manual. Instead, all you need to know is included in the Annotated Grant Agreement under the Article 6 – Eligible and Ineligible costs.

The new **Model Grant Agreement** has some significant novelties that simplify the financial administration of projects. The main changes in the financial administration are the following:

- **Personnel Costs:** a new simplified method for a corporate daily rate,
- **Internal invoicing:** Acceptance of actual indirect costs,
- **In-kind contributions against payment:** No more specific article,
- **Indirect Costs:** Overall continuity with 25% (flat-rate) with some few exceptions,
- **CFS Thresholds:** Higher Thresholds for financial certificates,

In the following sections we will analyse these costs and how you can deal with them in a Horizon Europe Project.

## 5.2. Legal and Financial Issues In Implementation

This section will cover the most important legal and financial issues beneficiaries will face during the implementation of the project. Cost categories were already explained in 'Chapter 3.2 Budget Preparation' so when you start your project you already have a good estimation of the available budget per activity, the necessary resources, and the cost activities.

The **budget of a project is quite flexible**. It is understood that almost a year may pass from the moment a consortium submits a proposal and this proposal becomes a project. Moreover, projects may last 3 or 4 years so nobody expects that everything will remain unchanged. According to Article 5 of the GA, the budget breakdown may be adjusted by transfers (between participants and budget categories), as long as this does not imply any substantive or important change to the description of the action in Annex 1 without the need of an amendment (a change) to the Grant

Agreement. Some exceptions of course exist notably when the project involves lump sums, or subcontracting.

### 5.2.1. Eligibility of Costs

It goes without saying of course that the grant can only reimburse eligible costs. In order to be eligible, costs have to be:

- **Actually incurred** (real and not estimated or budgeted) by the beneficiary during the duration of the action.
- Included in the **estimated budget of the action**, under the relevant budget category.
- **Connected to the action** as described in the Description of Action (DoA).
- **Identifiable and verifiable** (beneficiary must have included them into his/her accounts and must have sufficient proof and documentation of this action).
- In **compliance with national laws** on taxation, labour and social security.
- **Reasonable, justified** and must comply with the principles of **sound financial management** (i.e. be in line with good housekeeping practice when spending public money and not be seen as excessive).

*Accounting documentation is necessary only for direct costs. Indirect costs do not need supporting evidence because they are declared using a flat-rate calculation.*

**BE CAREFUL:** Costs approved in proposal budgets are **NOT** automatically eligible during report or audit. Evaluators will have approved the necessity for the activity and related budgeted costs. Eligibility is determined based on implementation and their associated costs.

*In section 3.2.2 we presented the cost categories for Horizon Europe. In this section we provide their eligibility requirements.*

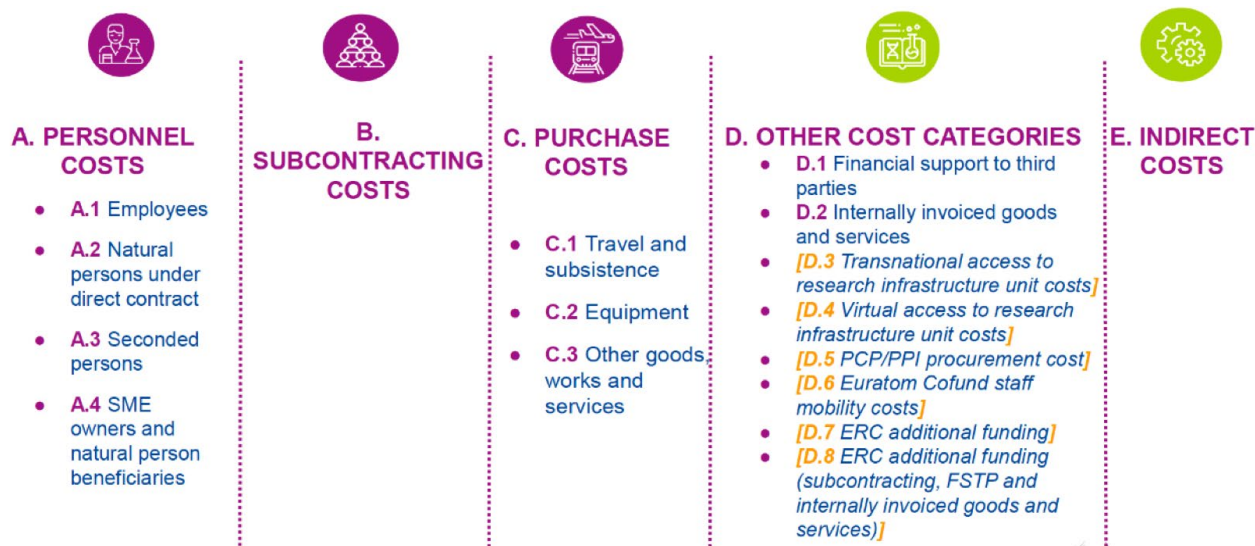


Figure 20: An overview of the eligible costs in Horizon Europe Projects

## A. Personnel Costs

Are related to the personnel working under an employment contract and assigned to the action.

They refer to the total cost of a person (including salary, social security, contributions, taxes, and any other costs included in the remuneration.) to an employer.

Types of Direct personnel costs are:

**A.1 Employees:** employees or equivalent that work in the action, i.e. persons working for the beneficiary on the basis of an employment contract or equivalent appointing act.

- Employees with a fixed salary.
- Employees whose remuneration increases when working in projects ('project-based remuneration').
- Employees of a beneficiary whose usual cost accounting practice is to calculate average personnel costs ('average personnel costs').

**A.2 Natural persons under direct contract:**

- Costs for natural persons working under a direct contract other than an employment contract (e.g. in-house consultants).
- persons must work under **conditions similar** to those of employees.
- the **result** of the work carried out (including patents or copyright) must in principle **belong to the beneficiary**.
- costs must **not** be **significantly different** from costs for employees performing similar tasks.
- Remuneration must be based on working hours.

## A.3 Seconded persons

- Costs for seconded persons by a third party against payment.
- Personnel working for the action at the premises of the beneficiary or the third party.
- Secondment agreements are necessary, setting out the working conditions (location, tasks, duration).

## A.4 SME owners and natural person

- These budget categories **cover** the costs of SME owners and beneficiaries that are natural persons who work on the action, but **do not receive a salary**.
- Costs must be declared for an **SME owner/beneficiary that is natural person**, who works on the action but does not receive a salary.

## How to Calculate Personnel Costs

Horizon Europe has significantly simplified the personnel costs calculation. A snapshot of the same

process in Horizon 2020 is revealing. The process was complicated and difficult to comprehend even for more experienced professionals.

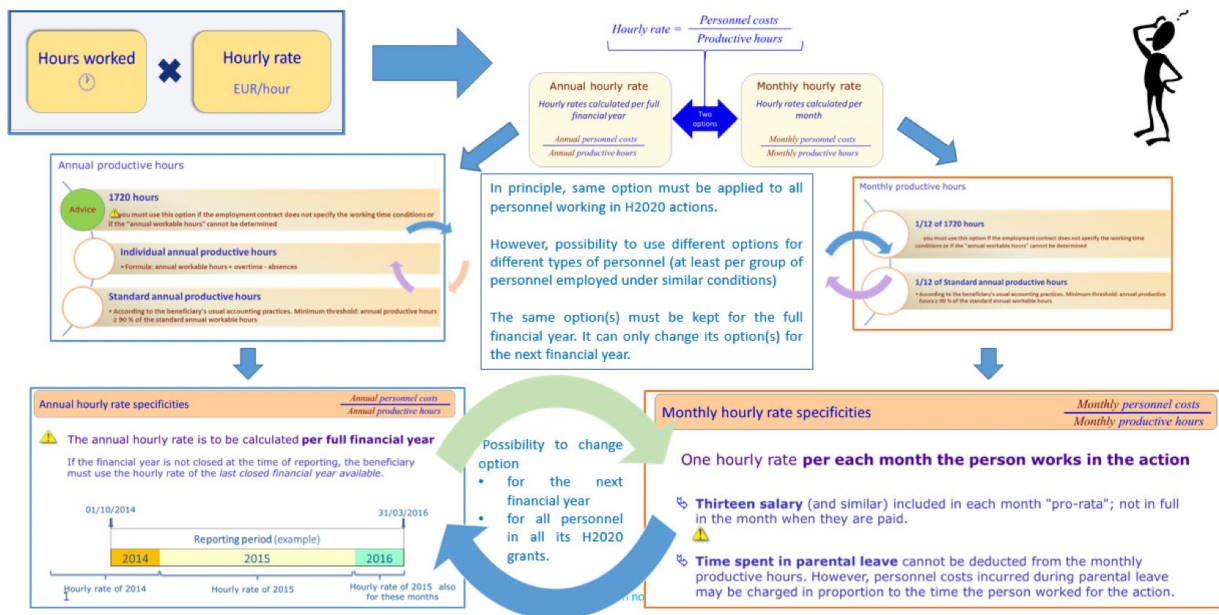


Figure 21: A snapshot of Horizon 2020 process for calculating personnel costs

**A.1 Employees:** This process is replaced by a single corporate daily rate formula applicable to all personnel under **A.1 category**.

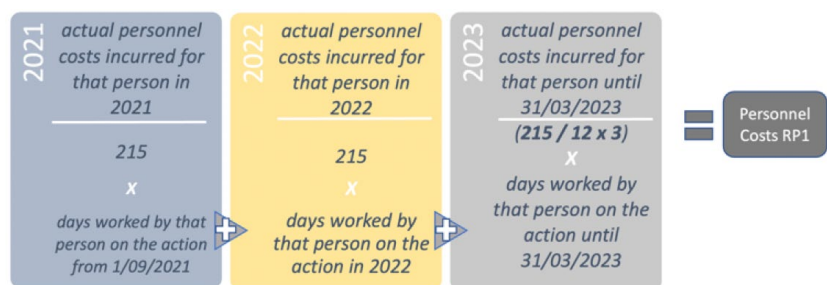
$$\text{Personnel Costs} = \text{Daily Rate} \times \text{Days worked in the project}$$

$$\text{Daily Rate} = \frac{\text{actual annual personnel costs for the person}}{215}$$

Daily Rate is calculated annually and is valid for the year. In case a project has started in the middle of a calendar year then you need to estimate the Daily Rate for each year of the project. See the example below.

Costs for Researcher Y in reporting period 1. Reporting period 1 runs from 1/09/2021 until 31/03/2023.

Please note that this formula is still in draft.



**A.4 SME Owners and Natural Persons:** It is often the case that in SMEs the owners do not receive any salary. In this case the daily rate of an SME owner is calculated by the following formula.

$$\text{SME Owners Costs} = \text{Daily Rate} \times \text{Days worked in the project}$$

$$\text{SME Owners Daily Rate} = \{ \text{EUR } 5\,080 / 18 \text{ days} = 282,22 \} \times \{ \text{country-specific correction coefficient} \}$$

The country-specific correction coefficient is the one for HE MSCA actions. For Türkiye this coefficient is 64.5 % (following the current MSCA Work Programme). That's why the unit daily rate for SME owners would be EUR 182,03.

*Country specific correction coefficients can be found in the latest MSCA Actions Work Programme under [Reference Documents](#). Current [one can be found here](#) but the link may expire when the new programme will be published.*

To make things easier the calculation of these costs is automated: The beneficiaries must only indicate the number of days worked on the action and the costs are then automatically calculated by the IT system.

## How to Record Personnel Costs

In Horizon Europe, timesheets are not compulsory for all. For persons who work for the action (regardless if they are full-time or part-time employees and/or if they work exclusively or not for the action) a beneficiary has 2 options to use:

- a simple monthly declaration on days spent for the action using this template,
- a reliable time records (i.e. time-sheets) either on paper or in a computer-based time recording system, to record (at least) all the hours worked in the action. This must be dated and signed at least monthly by the person working for the action and their supervisor.

*If the time recording system is computer-based, the signatures may be electronic (i.e. linking the electronic identity data, e.g. a password and user name, to the electronic validation data), with a documented and secure process for managing user rights and an auditable log of all electronic transactions.*

## B. Costs of Subcontracting

In order to be eligible subcontracting cost must be included in the relevant budget category. If they are not, an amendment of the GA will be necessary. Such costs are always diligently checked by the EC and have to comply with certain rules:

- Subcontracting between beneficiaries is not allowed.
- They must cover only a limited part of the action.
- The majority of the work must be located in EU Member States or Associated Countries.
- Their use must be according to the procurement rules of the beneficiary.
- Their work must be awarded according to the best value for money or lowest price.
- The process must be transparent, the treatment of bidders equal and any conflicts of interest must be avoided.
- Subcontracting is not be subject to conflict of interest.

## C. Purchase Costs

The purchase costs must be limited in scope and should not cover the core activities of the action. To be eligible they must:

be based either on the best **value for money** (considering the quality of the service, good or work proposed, i.e. the best price-quality ratio) or on the **lowest price** not be subject to conflict of interest.

We have 3 sub-categories for purchase costs:

### C.1 Travel Costs and Subsistence

- i. There is no distinction between traveling inside or outside the EU or Associated Countries.
- ii. Costs must be according to the national law/regulation and usual practices of the beneficiaries.
- iii. Unplanned or particularly expensive travel costs may require approval of PO.
- iv. Travel for any review meetings after the end of the project are eligible.
- v. Travel for kick-off meeting before the action starting date may be eligible.

### C.2 Equipment

- i. Only depreciation costs are eligible.
- ii. These must be in compliance with the beneficiary's accounting practice and international accounting standards.
- iii. May include costs necessary for first operation (site preparation, installation).
- iv. Renting or leasing costs are eligible if they do not exceed the depreciation costs of similar equipment.
- v. ONLY the part of the equipment's working time for the action may be charged to the project. (Percentage of actual use versus percentage of use for the project).
- vi. Depreciation costs for equipment used for the action but bought before the action starting date are eligible if they fulfil the general eligibility conditions.

### C.3 Costs of other goods and services (including non-deductible VAT)

- i. Consumables and supplies.
- ii. Dissemination, translation, and publications.
- iii. Protection of results / IPR costs.
- iv. Organisation of meetings, events, workshops.

- v. Certification for financial statement (for contributions over EUR 430,000).
- vi. Certification on the methodology.
- vii. Detailed breakdown in the proposal is needed if the total for these costs is more than 15% of personnel costs.

*What is the difference between other direct costs and subcontracting?*

Goods and Services Contracts	Subcontracting
NOT Action Tasks (but necessary to implement)	Concern Action Tasks
NOT indicated in DoA	Must be indicated in the DoA
Reported as Purchase Costs	Reported as Subcontracting
Generate Indirect Costs	Do not generate Indirect Costs

## D. Other Cost Categories

This is a new category in Horizon Europe, and it is used to consolidate cost categories that exist in several EU Programmes. This was a necessary addition that allowed the use of just one model Grant Agreement for all EU schemes.

There are 2 cases which are more common, and we are going to briefly explain here:

### D.1 Financial support to third parties

### D.2 Internally invoiced goods and services

*All other categories are very specific types of actions like Research Infrastructures, PPI/PCP and ERC and there is no need to go into further detail.*

### D.1 Financial support to third parties (FSTP)

In certain calls consortia can provide financial support to third parties (usually private companies, SMEs, Startups etc.) in the form of **grants, prizes** or similar forms of support. This is also known as **cascading funding** and is usually done through open calls procedures and need to fulfil the general eligibility conditions. You can see the calls that allow FSTP if you create an appropriate filter in the F&T portal.

The screenshot displays the 'Funding and tenders (92)' section of the Horizon Europe portal. On the left, there are filters for 'Submission status' (Forthcoming (2), Open for submission (90), Closed), 'Programming period' (2021 - 2027 (92)), and 'Horizon Europe (HORIZON)' with sub-filters for Programme part, Mission, Destination, and Quick search on specific priorities. The main area lists several calls for proposals, each with details on the Programme, Type of action, Opening date, Status, Deadline model, and Deadline date. The calls include:

- Remediation strategies, methods and financial models for decontamination and reuse of land in urban and rural areas** (HORIZON-MISS-2022-SOIL-01-04): Open for submission, single-stage, deadline 27 September 2022 17:00:00 Brussels time.
- EIT Cross-KIC Strategic Access to Finance** (HORIZON-EIT-2023-25-Cross-KIC-Strategic-ATF): Open for submission, single-stage, deadline 28 September 2022 17:00:00 Brussels time.
- Unlocking of financial resources for investments into climate resilience** (HORIZON-MISS-2022-CLIMA-01-02): Open for submission, single-stage, deadline 27 September 2022 17:00:00 Brussels time.
- EIC Accelerator Open** (HORIZON-EIC-2022-ACCELERATOROPEN-01): Open for submission, multiple cut-off, next deadline 05 October 2022 17:00:00 Brussels time.
- Framework Partnership Agreement (FPA) for a Living Lab network support structure** (HORIZON-MISS-2022-SOIL-01-08): Open for submission, single-stage, deadline 27 September 2022 17:00:00 Brussels time.

Figure 22: Calls that offer Financial Support to Third Parties

The Open Calls and opportunities from these projects are also published in [F&T portal](#) under their own category. Although these calls usually target the private sector (SMEs, Startups, Spinoffs) it is worth taking a look since there are often

undiscovered opportunities available for other potential participants.

*FSTP Costs will not be taken into account for the indirect cost flat-rate.*

The screenshot shows the 'Funding & tender opportunities' portal. The header includes the European Commission logo and navigation links like 'SEARCH FUNDING & TENDERS', 'HOW TO PARTICIPATE', 'PROJECTS & RESULTS', 'WORK AS AN EXPERT', and 'SUPPORT'. Below the header, there's a section titled 'Competitive calls and calls for third parties'. It lists five open calls with their deadlines and a green 'open' button with a right arrow for each.

Call Title	Deadline	Status
EIT Manufacturing's RIS competition LEADERS – Women Innovators in Manufacturing at EIT RIS	5 July 2022	open
EIT Climate KIC – Education Experiments in RIS Eligible Countries	8 July 2022	open
EIT RIS Matchmaking Innovation Market	27 July 2022	open
EIT ClimAccelerator Beyond 2022 Stage 1 (Serbia, Croatia, Slovenia, and Greece)	29 July 2022	open
EIT ClimAccelerator Beyond 2022 Stage 2/Stage 3	29 July 2022	open

Figure 23: Open Calls for Third Parties

## D.2 Internally Invoiced Goods and Services

*Internally invoiced goods and services means goods or services which are provided within the beneficiary's organisation directly for the action and which the beneficiary values on the basis of its usual cost accounting practices.*

This is a new category to update the Horizon 2020 concept of in-kind contributions against payment. In H2020, beneficiaries were able to charge costs for goods or services which are produced or provided within your organization as internal unit costs. Examples include costs for self-produced chemicals, standardized in-house testing procedures or the use of the clean room, wind tunnel, etc.

In Horizon Europe beneficiaries can declare costs for internally invoiced goods and services directly used for the action, according to usual cost accounting practices if they fulfil the general eligibility conditions for such unit costs and the amount per unit is calculated by:

- using the actual costs for the good or service recorded in the beneficiary's accounts AND
- according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

In kind contributions against payment can still be declared as:

- **Seconded persons** under Personnel costs provisions.

- **Renting costs** for equipment if the **in-kind contribution** relates to an equipment provided by a third party against payment).
- **Other types** as purchase of goods, works or services.

*Internally invoiced good and services costs will not be taken into account for the indirect cost flat-rate but unit cost may include actual indirect cost calculated as defined in the beneficiaries' usual cost accounting practices.*

## E. Indirect Costs

*On top of the above DIRECT costs (Excluding subcontracting) we add an overhead of 25% for INDIRECT costs. These are "eligible costs that cannot be identified and calculated by the beneficiary as being directly attributed to each project". (Electricity, rent, maintenance, etc.)*

**Indirect costs or overheads**, are all those "eligible costs that cannot be identified and calculated by the beneficiary as being directly attributed to each project". Such costs may include our rent, utilities costs (water/gas/electricity), maintenance, office supplies, communication and connection costs and costs for administration and financial management like hiring costs, training, accounting & legal support documentation<sup>18</sup> etc.

<sup>18</sup> Patent costs related to the exploitation of specific results fall under 'other direct costs' and can be eligible for the project.

### 5.2.2. Ineligible Costs

As you may expect there are costs that are ineligible for Horizon Europe actions. The list below is non-exhaustive but gives a clear idea:

- Costs of preparing the proposal or for drafting the Consortium Agreement,
- Bank costs,
- Currency exchange losses,
- Costs incurred during suspension of the implementation,
- Costs declared under another EU grant,
- Deductible VAT (Non-deductible VAT is ELIGIBLE).

### 5.3. Currency Conversion for Türkiye

All costs must always be reported in EUROS. In the case of accounting records incurred in another currency, as is the case in Türkiye with Turkish Lira, you need to calculate the average daily exchange rate for the reporting period based on the average monthly exchange rate for the reporting period and convert sum of TL in the accounting records to EUR and add that amount to the financial reporting.

EC has a very handy tool to use for other currencies. INFOEURO provides the European Commission's official monthly accounting rates for the euro, the corresponding conversion rates for other currencies and historic conversion rates from 1994. The tool is available [here](#).

In addition to INFOEURO, the European Central Bank provides exchange rates and statistical data for Turkish Lira.

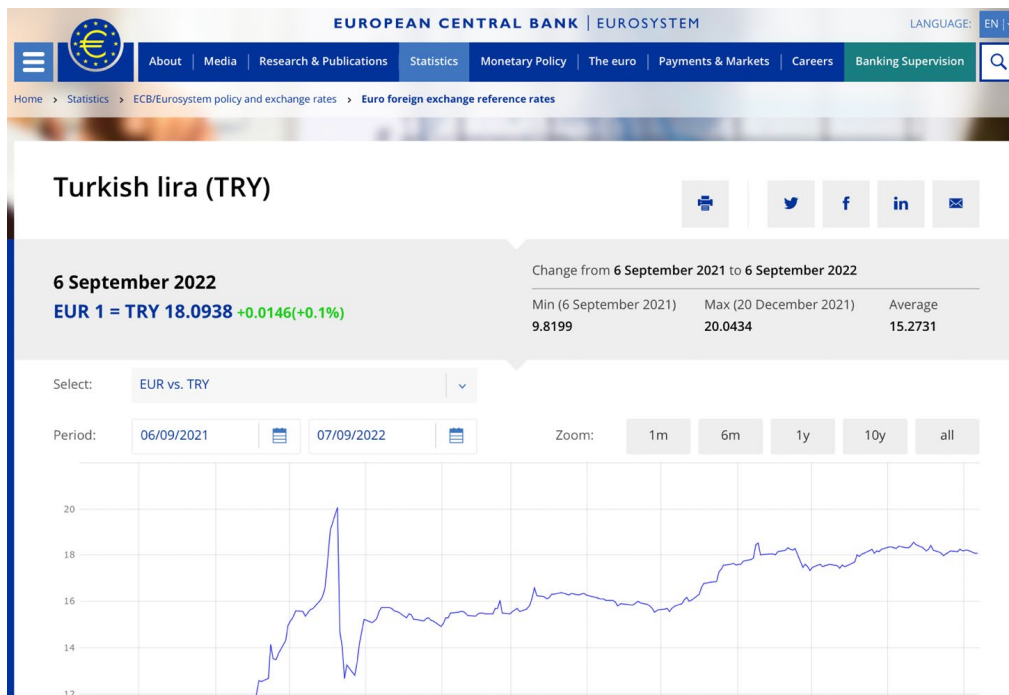


Figure 24: ECB website can be used to convert TL (and any currency) to Euro. The site allows you to download historical data and calculate the average exchange rates for any month of the project.

### 5.4. Technical and Financial Reporting

The Commission/Agency monitors the activities of every project through a designated Project Officer (PO). The role of the PO is to ensure that the consortium implements the progress as described in Annex 1 of the Grant Agreement (GA) (Description of the action – DoA). A financial officer will also be assigned in the project to check the eligibility of the costs claimed.

Monitoring the project implementation is a continuous task that takes place during the

active period of the project (and beyond). However, there are key contractual tasks that make project monitoring most relevant at certain periods in project's life, in particular after each reporting period at the time of payments.

The reporting periods are mentioned in the Grant Agreement. Usually there is one Interim Report in the middle of the project and one at the end. In certain situations, the EC may decide (especially if the project will last for 4 years or more) to specify more frequent reporting periods.

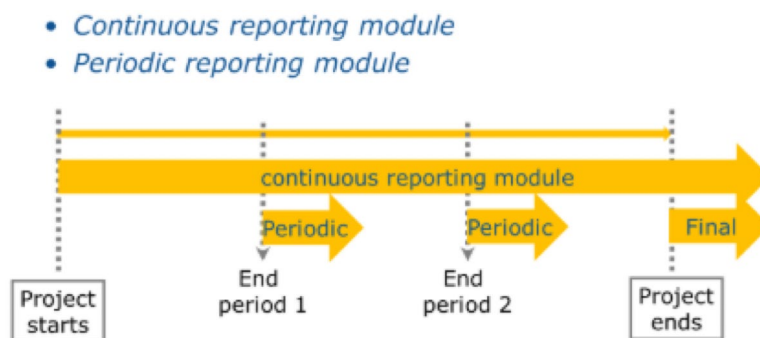


Figure 25: All reports are submitted through the Grant Management System. All deliverables are uploaded there as well.

## Continuous Reporting

Continuous reporting is activated at the time the project starts. The coordinator has already uploaded all the project information to the system during the Grant Preparation phase. Coordinator is using this same system to:

- Create a publishable summary for CORDIS,
- Submit all deliverables according to the timeline of the project,
- Report progress in achieving milestones,
- Follow up critical risks,
- Respond to the questionnaire on horizontal issues,
- Upload the publications that are produced during the project,
- Upload information about the communications activities.

## Periodic and Final Reporting

Within 60 days following the end of each reporting period the consortium is obliged to upload the periodic report consisting of both the Technical and Financial report. Similarly at the end of the final reporting period, the consortium uploads in addition to the periodic report for the last reporting period the final report.

- Periodic Report (Reporting Month + 60 days)
  - o Periodic technical report,
  - o Periodic financial report,
- Final Report
  - o Final technical report – summary for publication,
  - o Final financial report – CFSs (if necessary).

## Technical Report

Both Periodic and Final Technical reports are structured in 2 parts, like the DoA:

**Part A** (Information entered in the IT System),

- o Publishable summary,
- o Deliverables, milestones, risks, etc.,
- o Answers to the questionnaire (H2020 KPI\*).

**Part B** – narrative part (PDF document uploaded through the system)

- o Explanation of the work carried out by the beneficiaries and overview of progress,
- o Update of the plan for exploitation and dissemination of results,
- o Explanations on deviations from DoA.

## Financial Report

Beneficiaries complete on-line the financial statements including explanations on the use of resources. Once these are ready and signed by the Project Financial Signatory, the coordinator uploads the Part B of the periodic technical report (narrative part) and submits the full report to the PO.

Individual financial statements (Annex 4 to the GA).

Explanations on the use of resources and the information on subcontracting and in-kind contributions provided by third parties.

A periodic summary financial statement including the request for payment.

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*Templates for the reports are available in the system. These templates may be slightly different from programme to programme.*

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**Figure 26: The Periodic Reporting Module of the Grant Management System.** You can see that the Financial Parts of 2 partners are under review. Once all partners complete this the coordinator will create the technical part, will finalise the financial part and consolidate both in the periodic report to submit to EU.

#### 5.4.1. Certificate on the Financial Statement

The Certificate on the Financial Statement (CFS) is a report produced by an independent auditor or Public Officer. Its purpose is to enable the European Commission to check whether costs declared in the financial statements are eligible. A beneficiary must submit a separate CFS only if the requested total EU contribution for the entire duration of the Action is **€430.000 or more**.

The project coordinator must send the CFSs to the Commission, with the final report, **within 60 days** of the end of the last reporting period. The cost of preparing the CFS is eligible for claiming under Direct Costs, but only in the last reporting period. CFS costs are not eligible if this is not mandatory (e.g. the beneficiary will receive less than €430.000).

The EC provides a model upon which the CFS should be based. This is available in the Reference Documents under templates and forms:

A template for the Terms of Reference, signed by the beneficiary/linked third party and the auditor/Public Officer.

A model for the Auditor's independent report of factual findings. This report must be issued on the Auditor's or Public Officer's letterhead, dated, stamped and signed by the Auditor/Public Officer.

**You can find the template for the CFS at the [F&T OP under Reference Documents > Templates and Forms > Project reporting templates](#).**



# 6. PROJECT CLOSURE AND BEYOND

## 6.1. Final Report & Payment of the balance

Within 60 days of the end of the final reporting period the coordinator must submit the final report as described in the previous chapter.

Upon successful acceptance of the final report and final review of the project, the EC will pay the balance and release the amount originally retained for the MIM (Mutual Insurance Mechanism). The payment of the balance reimburses the remaining part of the eligible costs. In most cases the total amount of earlier payments is not more than 90% of the max grant.

As soon as the EC receives your final report, time starts and within 90 days the balance has to be paid, provided the reviewers approve your report and accept all deliverables. In some case you may be asked for clarifications or improvements.

### Project Reviews

Beyond the end of the project and for **up to two years after the payment of the balance**, the Commission may order a review or an audit of your project. This can be a direct audit (with the Commission's own staff) or an indirect audit (with external, persons or bodies appointed by the Commission). Such controls may include on-site visits or a meeting on Commission premises or anywhere relevant to the project.

**Reviews** normally refer mainly to the **technical implementation** of the project (i.e. its scientific and technological relevance), but may also cover financial and budgetary aspects, or compliance with other obligations under the GA.

*The review procedure is a very specific procedure that is described in detail below.*

One of the novelties of Horizon Europe is the introduction of the **System and Process Audit (SPA)**. SPA is an optional audit that allows a beneficiary to go through less audits by rising the threshold for the CFS (the certificate on the financial statement) to 725.000€ from 430.000€.

The process is similar to that of a risk assessment and audit opinion. It is done in 2 steps:

In **step 1** the audit tests the controls and the system that is in place for financial reporting

In **step 2** the process moves into the transactions.

It assesses 3 types of risks:

1. Inherent risks at the entity level,
2. Control risk at the entity level, and
3. Budget category specific control risk and their project-based accounting.

Any beneficiary that that uses unit, flat rate or lump sum costs or contributions according to documented usual cost accounting practices.

In order to apply for an SPA, the beneficiary applies through the system which will be assessed by the Auditors of the European Commission. If accepted, the auditors will carry out the SPA. The auditors will classify the beneficiary into low, medium or high risk.

In the case of low risk the beneficiary may go through with less audits and be able to apply the higher threshold of 725.000 € instead of 430.000 € for submitting a certificate on the financial statements (CFS).

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*Find more about SPA in the Horizon Europe Online Manual: This is a new initiative and only limited information are available in the F&T portal.*

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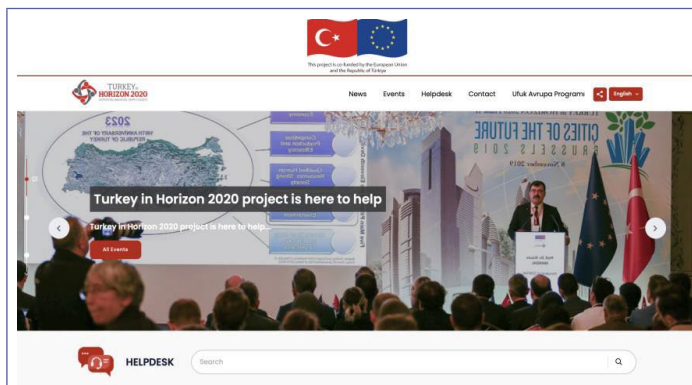
## 6.2. System and Audits Process

**Audits** A examine the financial management and eligibility of costs claimed. Any claimed costs found to be ineligible will then be recovered. If systematic errors are found, the Commission may extend the findings of the audit results to non-audited grant agreements or non-audited periods. Besides these corrections other measures may be taken, including financial and administrative penalties.

# 7. FURTHER INFORMATION / RESOURCES

There is an abundance of information and material available to help you familiarise with Horizon Europe and benefit from its opportunities. The best place to start is the **Funding and Tender**

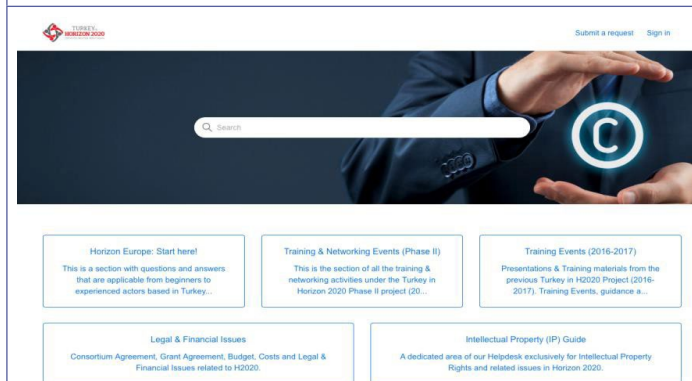
**portal**. However, there are 3 more websites where you can find an abundance of training resources and news.



Supporting Turkish Organisations to Join Horizon2020 & Horizon Europe!

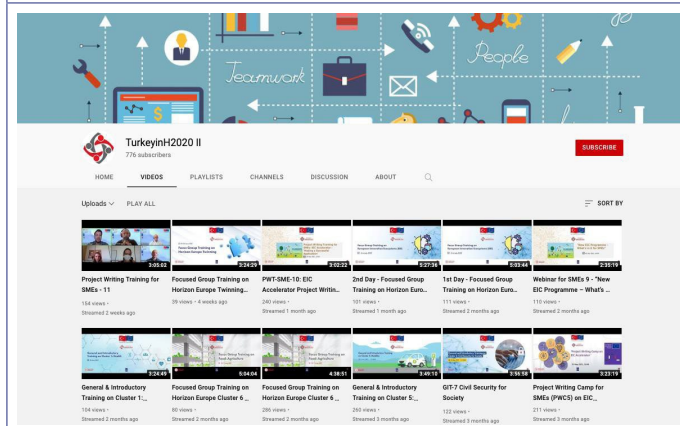
<https://ufukavrupa.org.tr/en/th2020II>

The website of our project under TÜBİTAK's main portal of Horizon Europe. You can find calls, schedule of forthcoming events, news, information on the NCPs.



<https://th2020.zendesk.com/>

The Helpdesk of our project, full of useful training material on every subject and theme of both H2020 and Horizon Europe. A great place to start.



<https://www.youtube.com/c/TurkeyinH2020II/>

Our YouTube channel with all the recordings of our training events, webinars and workshops. You can watch them again at your own pace.

## Other Key Sources of Information

**F&T OP:** the main source of information and tools for Horizon Europe.

**Online Manual of Horizon Europe:** an excellent source of information for every step of the process.

**IT How to:** a web site that consolidates information from all portals and provides an easy-to-understand roadmap.

**Horizon Europe – Dissemination and exploitation:** a starting point from European Research Executive Agency to understand the importance of dissemination in EU projects.

**EU Science and Innovation YouTube channel:** You will find a trove of information here in video presentations that will help you understand the tools and processes.









Please scan the QR code below for the soft copy of this guide.



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