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**Rechts- und Finanz-FAQ zu Horizon Europe
des Research Enquiry Service (RES) der
Europäischen Kommission**

Stand: 18.7.2023

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1 Antragstellung und Einreichung

1.1 Erklärungen zur Budgettabelle

Antwort vom 20.7.2021

Dear RES,

the budget table in the proposal template/submission system has three new columns "Income generated by the action", "Financial contributions" und "Own resources". Could you please provide further details/explications on that?

Antwort:

The new columns related to the income of the proposal have been added following the Financial Regulation which asks for a budget table in proposal that is in balance (expenditure = income). For all the HE type of actions where the funding rate is at 100% the income columns should be filled with 'Zeros'. However for the type of actions where the funding rate is <100%, participants are asked from which type of sources the rest of the funding will come: income generated by the action, own resources or financial contributions. For the time being the Commission has only added this information in the help text of the budget table in the submission tool. Further IT controls and warning to ensure a budget table in balance will be developed in the future.

Kind regards,

The Research Enquiry Service back-office

1.2 Erklärungen zur Rolle der teilnehmenden Organisationen

Antwort vom 9.11.2021

Dear RES,

could you explain the purpose AND the consequences for the evaluation of the indication of the "role of participating organisation in the project" (Standard Proposal Template (RIA IA), Part A, Organisation data, page 12)?

Antwort:

The question on the role of participating organisation included in proposal part A will be used by the experts evaluators to assess the capacity and role of each participant, and the extent to which the consortium as a whole brings together the necessary expertise, as part of the evaluation criterion 'Quality and efficiency of the implementation'. In addition, it will also server for statistical purposes for the implementation of the Horizon Europe Programme, as a whole.

Kind Regards

The Research Enquiry Back-Office

1.3 Schwerpunkt der Projektstätigkeit

Antwort vom 2.12.2021

Dear RES,

whereas in Horizon 2020 it was mentioned on page 153 of the AMGA that the substantial part of the work should be in principle performed by the beneficiaries, no such phrase can be found in the (A)MGA for Horizon Europe. Instead, the AMGA for Horizon Europe states on p. 13 that "The main

actors should be the beneficiaries or affiliated entities. All other roles should be complementary.". We understand that in Horizon Europe the major part of the work could also be entirely within affiliated entities instead of beneficiaries. Is that correct?

Please explain what is meant by this phrase.

Antwort:

Under Horizon Europe, article 7 HE MGA still provides that beneficiaries must have the appropriate resources to implement the action under their own responsibility. Therefore the principle remains that the beneficiary should have the appropriate resources to implement the action, and by exception that they rely on third parties.

Having said that, affiliated entities have a different status from other third parties. In terms of allocation of the work, the work should be done mainly by the beneficiaries as well as their affiliated entities. Differently other third parties should remain in a complementary role.

Against this background, there may indeed be cases where an affiliated entity performs a larger share of work than its beneficiary. However any situation where a beneficiary would be performing by itself a very limited part of its tasks would require a justification.

Kind regards,

Legal and financial helpdesk

1.4 Teilnahme- und Förderfähigkeit

Antwort vom 11.3.2022

Dear RES,

I have a (rather urgent) question concerning eligibility for participation and for funding in Horizon Europe and kindly ask for your support on this matter:

According to the Rules for Participation, Article 23 (2) (a)

(...) exceptionally, other non-associated third countries, shall be eligible for funding in an action, if:

(a) the third country is identified in the work programme adopted by the Commission; (...)

Example: The call conditions state that "Participation to the topic is limited to legal entities established in Member States, associated countries and OECD countries."

The call conditions refer to "participation", but as the Rules for Participation state "identified in the work programme" I wonder if the mentioning of "OECD countries" in the example call conditions is sufficient to not only say that OECD countries are eligible for participation, but also for funding?

Antwort:

According to Article 23(2) of [Regulation \(EU\) 2021/695 establishing Horizon Europe](#), legal entities established in a non-associated third country shall bear the cost of their participation. However, a legal entity established in low to middle income non-associated third countries and, exceptionally, other non-associated third countries, shall be eligible for funding in an action if:

- (a) the third country is identified in the work programme adopted by the Commission; or
- (b) the Commission or the relevant funding body considers that the participation of the legal entity concerned is essential for implementing the action.

Under point (a) participants can receive exceptional funding, if their country is explicitly identified in the Horizon Europe work programme and call for proposals as being eligible for funding. An indication in topic conditions that participation is limited to legal entities established in Member

States, associated countries and OECD countries concerns the possibility to participate but not the eligibility for funding.

Please see two examples of explicit identification regarding eligibility for funding in the HE Work Programme [2021-2022](#) for Health (available at https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-4-health_horizon-2021-2022_en.pdf – see p.8 and p.180):

- *“any legal entity established in the United States of America is eligible to receive Union funding to support its participation in projects funded under the Health cluster”.*
- For mobilisation of Research funds in case of Public Health Emergencies: COVID-19, second quarter of 2021 *“legal entities established in Albania, Armenia, Bosnia and Herzegovina, Faroe Islands, Georgia, Iceland, Israel, Kosovo, Moldova, Montenegro, Morocco, North Macedonia, Norway, Serbia, Switzerland, Tunisia, Turkey, Ukraine and United Kingdom are eligible for funding from the Union”*

We wish to recall that the most appropriate channel to raise your legal & financial questions remains the Research Enquiry Service, as explained in the email circulated on 10 February 2022 concerning the framework for meetings and communication with L&F NCPs.

Kind regards,
Legal and financial helpdesk

2 Projektimplementierung

2.1 Personalkosten

2.1.1 Definition "standard annual workable hours"

Antwort vom 5.4.2022

Dear RES,

in the AGA pre-V0.2 is no definition for standard annual workable. Does the same definition of "Annual workable hours" apply as in H2020 AGA or is there any other document with the definition?

H2020 AGA: 'Annual workable hours' means the period during which the personnel must be working, at the employer's disposal and carrying out his/her activity or duties under the employment contract, applicable collective labour agreement or national working time legislation.

Antwort:

Thank you for consulting the legal and financial helpdesk.

Please kindly note that the Research Enquiry service provides general guidance only and cannot comment on the specificities of your particular case.

As Horizon Europe will follow corporate rules for personnel costs with a daily basis calculation, no definition of 'standard annual workable hours' is provided in the abovementioned version of the pre-draft AGA. For the time-being, there is only one reference to this concept in the draft annotations for the specific case of beneficiaries recording time worked in hours rather than in days under Article 20 (page 119). Please note that these annotations are still subject to internal corporate review process within Commission services.

This being said, 'standard annual workable hours' can be considered as a relatively well-established general concept, and can therefore be defined as follows:

The "standard annual workable hours" is the standard number of hours that a full time employee of a given reference group, having similar working conditions, must be present at work under normal circumstances, as defined in:

- the employment contracts of the reference group,
- an applicable collective labour agreement, or
- the national law on working time.

Statutory holidays and public holidays are deducted from the working time to obtain the standard workable hours.

In that sense, and in reference and reply to your specific question, no different definition between H2020 and HE is intended on that issue.

Kind regards,

Legal and financial helpdesk Legal and financial helpdesk

2.1.2 Nachweise für Personalkosten

2.1.2..1 Zeitaufzeichnungen

Antwort vom 4.3.2022
Frage des tschechischen R&F NCPs

Dear RES,

as in Horizon Europe it is possible to continue documentation of personnel costs via time-sheets, we would like to know if ...

- 1. the minimum criteria for time-sheets remain the same as for H2020 (see page 179 H2020-AGA)? If not, what would be the exact minimum criteria for Horizon Europe?*
- 2. the EC plans to publish a template for time-sheets for Horizon Europe as well?*

We would appreciate a quick answer as projects already started and organisations need to adapt their systems accordingly.

Antwort:

We understand that your question relates to the requirements that needs to be fulfilled for time records under Horizon Europe. Please kindly note that record-keeping rules (Article 20 HE MGA) are so-called corporate rules (i.e. applying to different EU programmes using the corporate MGA). In that respect, current draft annotations related to record-keeping (Article 20 HE MGA) set out in the Annotated Model Grant Agreement (version 0.2 of 30 November 2021 available at https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/aga_en.pdf p.119) are still subject to a review and clarification process from Commission services. Therefore, the below explanations reflect the current state-of-play.

According to Article 20.1(e), of the Horizon Europe Model Grant Agreement (HE MGA) for the recording of personnel costs, time worked for the beneficiary under the action must be supported by declarations signed monthly by the person and their supervisor, unless another reliable time-record system is in place.

In that respect, and in terms of ‘minimum criteria’, it is expected that time records should indicate the information that are required in the [template](#) on the Funding and Tenders Portal for the monthly declaration of time (e.g. project number, acronym, work packages worked on, etc.).

In terms of template, and since the HE MGA will follow corporate rules by requiring daily rate calculation for personnel costs, only the template for the monthly declaration of time above mentioned will be made available. But it is not foreseen to develop and make available other kind of template.

Best regards,
Legal and financial helpdesk

2.1.2..2 Declaration

Antwort vom 7.3.2022
Frage des tschechischen R&F NCPs

Dear RES,

The template of the Time declaration provided on the FTOP is a compulsory template (it is not possible to create own layout of monthly declaration). Correct?

Antwort:

The template accessible via a link in the pre-draft AGA and on the portal's reference document page is **indeed the template** to be used to declare the number of days spent for the action. If the use of this template raises an issue, please let us know the reason.

However, beneficiaries who have a reliable time recording system as part of their usual management practices may use it to support the number of days charged to Horizon Europe grants. In that case, they would not fill in the Time declaration.

Antwort vom 10.5.2022
Folgefrage des tschechischen R&F NCPs

Dear RES,

*I have an additional question. In terms of documenting personnel costs in Horizon Europe projects - would it be acceptable if the monthly declaration on days spent for the action were kept for the entire reporting periods (rather than per calendar year)? The provided template is per calendar year, nonetheless, I understand that the **beneficiaries can modify the template** to fit their needs as well.*

Antwort:

According to Article 20.1 (e) of the Horizon Europe Model Grant Agreement (HE MGA), for the recording of personnel costs, time worked for the beneficiary under the action must be supported by declarations signed monthly by the person and their supervisor, unless another reliable time-record system is in place.

Therefore, in cases that the reporting period is different than the calendar year, **the Beneficiaries can adapt the monthly declaration template in order to include all the months of the same reporting period.**

Antwort vom 15.11.2022
Folgefrage des tschechischen R&F NCPs

Dear RES,

Is it expected that in Horizon Europe each personnel will have a separate Time declaration for work in each Horizon Europe project? If one personnel has two Horizon Europe projects, two Time declarations have to be filled in by the personnel (considering different months/duration of the reporting period) or one is sufficient (it is up to the decision of the beneficiary)?

Antwort:

The template made available on the Funding and Tender Opportunities Portal is designed to be filled in per project. If a beneficiary adapts it to cover different EU projects, this would be under its responsibility.

2.1.3 Sonderzahlungen

Antwort vom 21.3.2022

Dear RES,

In the Horizon Europe AGA, art. 6.1(a)(ii) states: “eligible costs must be incurred in the period set out in Article 4”.

This is the same wording as in the H2020 AGA, art 6.1.

However, as we understand it, concerning eligible costs and the calculation of the hourly rate there has been a change from H2020 to HE.

In H2020, some costs had to be “apportioned” to be eligible.

For instance, the 13th salary or special holiday allowance had to be apportioned with 1/12 of the cost to be allocated and recorded on a monthly basis.

This was a rather time consuming and manual procedure that often led to errors.

Horizon Europe introduces a new methodology for the calculation of the Daily Rate.

If the reporting period is 12 months, all the salary costs recorded for the person during this period have to be summarized and divided by 12.

As we understand it, this could also include costs generated before the 12 months period if these costs are recorded and booked in line with the beneficiary’s normal internal procedures.

Please confirm if this is correctly understood?

If so, the HE AGA art.6.1(a)(ii) might need a short explanation concerning the meaning of “incurred in the period”.

An example might illustrate the challenge.

A beneficiary has recently had an audit of an EIT Health KIC project following the new HE rules.

In this case, the auditor insisted that eligible costs could not include any costs generated outside the reporting period – even if these costs are recorded and booked in line with the beneficiary’s normal internal procedure.

Antwort:

Thank you for consulting the legal and financial helpdesk. Please kindly note that the Research Enquiry Service provides general guidance only but cannot comment on the specificities of a particular case.

In Horizon Europe, the total eligible personnel costs incurred over the reporting period duration (numerator of the daily rate formula) will have to be calculated on the basis of the usual accounting practices of the beneficiary. This means that for the cases of 13th salary entitlement (or similar entitlement), the beneficiary will apply its usual accounting practice, i.e.:

1. Either include the accrued amounts over the reporting period duration (as this would be the case you seem to refer to in your query),
2. Or include the full amount paid in a given month covered by the reporting period.

In this respect, the 'generating event' will depend on the beneficiary's usual practices: being either each monthly accrued amount or being the full amount paid of the 13th salary.

We hope the above information clarify the issue.

Kind regards,
Legal and financial helpdesk

2.1.4 Zeiten der Elternkarenz

Antwort vom 10.6.2022

Dear RES,

In H2020, the AMGA stated that for beneficiaries using the monthly hourly rate: "Beneficiaries may declare personnel costs incurred in periods of parental leave in proportion to the time the person worked on the action in that financial year.

"However, in Horizon Europe the reference to "in proportion to the time" seems to have been abandoned. Instead, the Horizon Europe AMGA states: "The actual time spent on parental leave by a person assigned to the action may be deducted from the 215 days indicated in the above formula".

This is indeed a simplification, but several beneficiaries have doubts how this will work in practice. An example might illustrate the challenge.

Assume a Horizon Europe project starts 1 of Jan. 2023 and the first reporting period is 12 months. Ms. X starts working on the project as of 1 of Jan. 2023.

However, as of 1 of Feb. 2023 Ms. X goes on 11 months parental leave. Assuming Ms. X has a normal salary of 2000 €/month and during her parental leave the beneficiary incurs a parental leave cost of 1000 €/month.

In that case, the total annual salary costs for Ms. X would be $(2000 + 11 \times 1000) = 13.000$ €.

However, Ms. X only worked for one month = 18 days on the action during 2023. This would mean that for 2023 the daily rate for Ms. X would be $13.000 \text{ €} / 18 \text{ days} = 722 \text{ €/day}$.

Please confirm if this calculation is correct? We know this is a rather special case, but we would like to have clarified if we have overlooked any details.

Antwort:

Thank you for consulting the legal and financial helpdesk. Please kindly note that the Research Enquiry Service provides general guidance only but cannot comment on the specificities of a particular case.

As a first remark, the reference to 'beneficiaries may declare personnel costs incurred in periods of parental leave in proportion to the time the person worked on the action in that financial year' was indeed relevant for the monthly calculation option in H2020. Otherwise, without this specific/side calculation, it would not have been possible to declare such costs for the beneficiaries.

Then, both in H2020 for the annual daily rate calculation and in HE for the daily rate over the reporting period, the formulas for deducting parental leave are similar (i.e. they both refer to the possibility to deduct actual time spent on parental leave).

In accordance with Article 6.2.A.1 of the Horizon Europe Model Grant Agreement (HE MGA), the costs incurred during periods of parental leave which are not fully covered by other sources can be charged to the grant and the actual time spent on parental leave by a given individual may be deducted from the denominator of the daily rate formula and for the calculation of the maximum declarable days. In other words, the maximum declarable day-equivalents may be reduced by the number of day-equivalents spent on parental leave.

Against that background, the correct methodology according to Article 6.2.A.1 and based on the information you provided would be the following:

- **Daily rate**
= {annual personnel costs for the person divided by 215 minus day-equivalents spent on parental leave}
= $(2000+11*1000) / [215 - (215/12*11)]$
= $13.000 / [215 - 197]$
= $13.000 / 18$
= 722 € per day
- **Personnel costs**
= {daily rate for the person multiplied by number of day-equivalents worked on the action (rounded up or down to the nearest half-day) capped at the maximum declarable day-equivalents resulting from the deduction}
= $722 * 18 = 13.000€$

Although the result of your calculation is correct, please note that the step $13.000/18$ could be source of confusion. In this regard we underline the importance of subtracting the number of day-equivalents spent on parental leave for the calculation of the maximum declarable days and the daily rate.

Kind regards,
Legal and financial helpdesk

2.1.5 Papamonat

Antwort vom 10.7.2023

Dear RES,

page 52 of the AGA states that "Parental leave is any leave directly related to the birth or adoption of a child.". In Austria we have a so-called "Papamonat" which is a legal entitlement for fathers to take a leave without payment related to the birth of their child. I assume that this type of leave is considered as "parental leave" as defined above, i.e. this leave is deductible for the calculation of the maximum declarable days as stated in the (A)MGA?

Antwort:

Thank you for consulting the legal and financial helpdesk. Please kindly note that the Research Enquiry Service provides general guidance only but cannot comment on the specificities of a particular case.

For the calculation of actual personnel costs under Horizon Europe, the actual time spent on parental leave by a given individual during the reporting period may be deducted for the calculation of the maximum declarable days and the calculation of the daily rate (i.e. by reducing the maximum declarable day-equivalents in the formulas by the number of day-equivalents spent on parental leave).

As explained in the annotations under Article 6.2.A.1 of the Horizon Europe Model Grant Agreement (see version 1.0 of 01 April 2023 available at https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/aga_en.pdf p. 52), parental leave is any leave directly related to the birth or adoption of a child. This covers leaves to which parents are entitled due directly to the birth/adoption of a child. On the contrary, leaves not only related to the birth or adoption of a child but also to other circumstances (e.g. leave to take care of a sick child, breastfeeding leave) are not considered as parental leave under Horizon Europe.

Against this background, if according to the national law, a person is entitled to parental leave and this parental leave is directly related to the birth or adoption of a child, the days spent on parental leave during the reporting period may be deducted from the calculation of the maximum declarable days and the calculation of the daily rate.

Kind regards,
Legal and financial helpdesk

2.1.6 Freistellung in der Kündigungsfrist

Antwort vom 3.7.2023
Frage des zypriotischen R&F NCPs

Dear RES,

I would appreciate your assistance on the following issue:

A researcher, working full time on a H2020 project, was dismissed with immediate effect and asked to stay home for the time of his notice period ('Garden leave'). Following the national law, the researcher was paid during that period (two weeks).

- *Is the personnel cost related to the 'Garden leave' eligible for funding?*
- *If yes, practically how the employer/beneficiary will justify the cost, taking into consideration that the researcher did not actually work on the project and therefore he did not fill in the time sheets for the period of the 'Garden leave'.*

Antwort:

Thank you for consulting the Legal and financial helpdesk. Please kindly note that the Research Enquiry Service only provides general guidance and cannot comment on the specificities of a particular case.

We understand that your question relates to whether, it can be charged to the project the costs of an employee during the notice period or "Garden leave".

The “Garden leave” is a practice deriving from a decision of the employer whereby the employer decides that a person leaving a job (either because of resignation or having an employment relationship terminated) does not work during the notice period while the person still remains on the payroll. Accordingly, the “garden leave” is considered as normal working time. Since the person is not working in the EU action, it cannot be eligible for funding.

Kind regards,
Legal and financial helpdesk

2.1.7 Horizontale Obergrenze

2.1.7..1 Horizontale Obergrenze vs. Obergrenze der Berichtsperiode

Antwort vom 23.5.2022

Frage des tschechischen R&F NCPs

Dear RES,

1. *Is our understanding of these two terms described below correct?*

The Horizontal ceiling has to be considered per each personnel per each calendar year and all EU and Euratom grants have to be taken into account (i.e. the actual number of day-equivalents declared across EU and Euratom grants cannot be higher than 215 per calendar year)

The Reporting period ceiling has to be considered per each personnel per reporting period and only the relevant Horizon Europe grant is taken into account (i.e. the number of days-equivalents to be declared in certain Horizon Europe project is capped at the maximum declarable day-equivalents per reporting period).

2. *Considering the Reporting period ceiling, are the two examples described below correct?*

Horizon Europe project with 2 reporting periods (RP): 1RP (1/1/2022 – 30/6/2023), 2RP (1/7/2023 – 31/12/2024). Employee working full time on the Horizon Europe project for the whole duration of the action.

- *Example 1: Day-equivalents worked in the action according to the Time declaration:*
 - *1/1/2022 – 31/12/2022: 215*
 - *1/1/2023 – 30/6/2023: 107,5*
 - *maximum declarable day-equivalents for RP1 = $215/12 * 18 = 322,5$ (which equals $215 + 107,5$ and is therefore correct)*
 - *1/7/2023 – 31/12/2023: 107,5*
 - *1/1/2024 – 31/12/2024: 215*
- *Example 2: Day-equivalents worked in the action according to the Time declaration:*
 - *1/1/2022 – 31/12/2022: 215*
 - *1/1/2023 – 30/6/2023: 115*
 - *maximum declarable day-equivalents for RP1 = $215/12 * 18 = 322,5$ ($215 + 115$ equals 330 which is higher than maximum, therefore for the calculation of eligible personnel costs, only 322,5 can be used)*

- 1/7/2023 – 31/12/2023: 100
- 1/1/2024 – 31/12/2024: 215

- *If it was H2020 in example 2, it would be possible to use number 330 (resp. relevant number of hours) to calculate eligible personnel costs, correct?*

Antwort:

On your **first question**, under Horizon Europe rules, the definition of ‘horizontal ceiling’ given in your inquiry is correct. Indeed, this capping is aimed at avoiding double funding of personnel costs and is to be complied with across EU and Euratom grants of a given calendar year.

As regards, the second ‘reporting period ceiling’, this represents the maximum declarable day-equivalents for a given individual for a given reporting period (i.e. with a corresponding start date and end date). In that respect, compliance with this ceiling is to be applied intrinsically for each given Horizon Europe grant concerned.

Regarding your **second question**, we would like to recall that the Research Enquiry Service provides general guidance only but cannot comment or validate the specificities of a particular case.

Based on the information that you provided in your **Example 1**, for both the 18-months reporting periods (RP1 and RP2), for a person working full-time during the action, the maximum declarable day equivalents must be calculated as follows: $((215 / 12) \times 18) \times 1 = 322.5$

Therefore, the calculations applied to this Example are **correct** and, in your case, the value of 322.5 maximum declarable day equivalents must be applied to both RP1 and RP2.

Example 2: In your **RP1**, the sum of declarable day equivalents are 330, which is higher than 322.5, which represents the maximum declarable day equivalents within this particular reporting period. Therefore, **the total number of declarable day equivalents worked in the action must be capped at 322.5 for RP1** (as described in the Example 1 above) and all the day equivalents over this value must be excluded from the personnel costs calculation.

In your **RP2**, the sum of declarable day equivalents ($100 + 215 = 315$) within this reporting period is lower than 322.5. In this case, **315 day equivalents may be used to calculate the personnel costs in the action for the RP2.**

Regarding your **third question**, please note that the two formulas under H2020 and under Horizon Europe are not really comparable as they are based on different methodologies with different time basis, i.e.:

Under Horizon Europe, and based on the two examples that you provided, **215 represents the “horizontal ceiling”**: the total number of day-equivalents declared in all EU grants, for a person and for a full financial year (please see page 33 of the pre-draft AGA). **322.5 represents the “reporting period ceiling”**: this value corresponds to the maximum of declarable day-equivalents for the whole duration of both RP1 and RP2 (18 months each with the employee working full time in the HE action, in the case you describe) and must be used to determine the daily rate per person and per action.

Under H2020, where the calculation of personnel costs is based in hours worked on the action (and not in day equivalents), the ceiling corresponds to the **total number of hours declared in EU**

or Euratom grants, for a person for a full financial year, which cannot be higher than the annual productive hours used to determine the hourly rate.

2.1.7..2 Horizontale Obergrenze bei natürlichen Personen mit einem Direktvertrag

Antwort vom 7.3.2022
Frage des tschechischen R&F NCPs

Dear RES,

Horizontal ceiling is relevant only in case the contract states a fixed amount for the work but does not specify the number of days (3rd case). In the first two cases it is impossible to calculate it (limitation for hours worked results directly from the contract).

Antwort:

No horizontal ceiling rules apply to the case of persons hired under a direct contract.

2.1.8 Aliquotierung der 215 Tage

Antwort vom 1.7.2022
Frage des tschechischen R&F NCPs

Dear RES,

Pro-rata calculation takes into the consideration part time work (e.g. 0,5 FTE). Is pro rata-rata calculation relevant also for e.g. 1,2 FTE (if allowed by national legislation)?

Antwort:

In the specific case where an employee would represent more than 1 Full-Time Equivalent (FTE), and provided this is in compliance with the applicable national labour legislation, this can be reflected in the corresponding pro-rata calculation for both:

1. the maximum declarable day-equivalent in the daily rate calculation and
2. the horizontal capping of 215 per calendar year.

2.1.9 Überlassene Personen

Antwort vom 15.11.2022
Frage des tschechischen R&F NCPs

Dear RES,

Are there any differences concerning the calculation of eligible costs of seconded persons in H2020 and HE?

According to the H2020 AGA: "Costs for persons seconded by a third party may be declared ONLY as actual costs. There is no specific calculation method; the costs must correspond to the price paid by the beneficiary — up to the costs actually incurred by the third party (see Article 11.1). For the calculation of the upper limit (i.e. the third party's actual costs), the same calculation rules apply as in point 1.1.4."

According to the HE AGA: "Costs of seconded persons against payment must be calculated as follows: {amount per unit (daily rate)} Multiplied by {number of day-equivalents worked on the action}. The

daily rate must be calculated as follows: - if the contract specifies a daily rate: this daily rate must be used ... For seconded persons, if the resulting daily rate is higher than the daily rate actually paid by the third party to the seconded person (applying the calculation rules of the Grant Agreement) the cost could NOT be declared as personnel costs. They may be eligible instead as purchase of services (see Article 6.2.C.3) or subcontracting (see Article 6.2.B). The reason is that the payment made by the beneficiary to the third party would be higher than the actual remuneration of the person, which implies that a commercial margin or other non-personnel costs are charged by the third party to the beneficiary.“

According to our understanding, in H2020 to identify eligible amount of cost, actual personnel costs of seconded personnel must be calculated (the same formulas as for employees). Is it the same for Horizon Europe or not? Are there any differences? Is it sufficient in Horizon Europe to take the rate specified in the contract (a secondment agreement with the employer of the natural person) without doing any calculations of real costs? Or is it necessary to do to calculations of actual personnel costs (the same formulas as for the employees) to identify eligible amount of personnel costs plus include extra cost in the secondment agreement which will be considered as eligible in other cost categories?

Antwort:

In Horizon Europe, as explained in the AGA (see yellow box page 44 of the version 0.2 of 30 November 2021): if the resulting daily rate is higher than the daily rate actually paid by the third party to the seconded person (applying the calculation rules of the Grant Agreement) the cost could NOT be declared as personnel costs.

They may be eligible instead as purchase of services (see Article 6.2.C.3) or subcontracting (see Article 6.2.B). The reason is that the payment made by the beneficiary to the third party would be higher than the actual remuneration of the person, which implies that a commercial margin or other non personnel costs are charged by the third party to the beneficiary.

2.2 Reisekosten

2.2.1 Übliche Reisepraxis

Antwort vom 13.10.2022

Dear RES,

the internal rules (= usual practice) of an organisation concerning travel state that besides economic efficiency also (environmental) sustainability is a criterion that needs to be respected. This could lead to situations where a train ticket is preferred to a flight ticket due to its higher sustainability, even though it is more expensive than the flight ticket. Will a more expensive train ticket be accepted by the European Commission in Horizon 2020 and Horizon Europe projects?

Antwort:

Thank you for consulting the legal and financial helpdesk.

Please kindly note that the Research Enquiry Service cannot comment on the specificities of a particular case, but only provide general guidance.

As regards Horizon 2020, Art 6.2.D.1 of the Horizon 2020 Model Grant Agreement establishes that travel costs and related subsistence allowances (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the beneficiary) are eligible if they are in line with the beneficiary's usual practices on travel. In this respect, according to annotations in the Horizon 2020 AMGA on costs eligibility conditions (pg 80), costs must fulfil the general conditions for actual costs to be eligible according to Art. 6.1 of the MGA amongst which that " they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency", and they must also "be in line with the beneficiary's usual practices on travel". Therefore, assuming that the conditions of Art. 6.1 of the MGA are complied with and that the incurred costs are in line with the beneficiary's practices, these costs would be accepted.

As regards Horizon Europe, the same principle would apply. The costs must comply with the general and specific eligibility conditions set out in Article 6.1 and 6.2.C.1 of the Horizon Europe Model Grant Agreement (available here: [general-mga_horizon-euratom_en.pdf \(europa.eu\)](#)) and in particular, be in line with the beneficiary's usual practices on travel. Therefore, if it is the usual practice of the beneficiary to pay for such travels, in view of sustainability reasons, the costs could be deemed eligible if in line with the above conditions.

For further information, please consult the related explanations in the Annotated Grant Agreement, version 0.2. of 30 November 2021, pages 60-62, available here: [aga_en.pdf \(europa.eu\)](#))

Kind regards,
Legal and financial helpdesk

2.2.2 Reisekosten Assoziierter Partner:innen

Antwort vom 2.2.2023
Frage des estnischen R&F NCPs

Dear RES,

My question about the eligibility of the associated partner's staff travel costs if covered by the beneficiary's budget (ref no 2515251) is:

- a) general - is it possible and allowed in principle at all*
- b) raised by TOPIC ID: HORIZON-CL2-2023-HERITAGE-01-08 applicant.*

Antwort:

Thank you for consulting the Legal and financial helpdesk. Please kindly note that the Research Enquiry Service provides general guidance only but cannot comment on the specificities of a particular case.

Associated partners are entities which implement action tasks but without receiving EU funding and without becoming party to the Grant Agreement (i.e. they do not sign the Grant Agreement). According to Article 9.1 of the Horizon Europe Model Grant Agreement (HE MGA available here: [general-mga_horizon-euratom_en.pdf \(europa.eu\)](#)), they may not charge costs or contributions to the action and the costs for their tasks are not eligible. Therefore, costs for the travels undertaken by

personnel of associated partners in the context of the performance of their actions tasks are not eligible under Horizon Europe, regardless whether the costs are incurred by the beneficiaries or by the associated partners themselves. Otherwise, it could be seen as a way of circumventing the rules.

Kind regards,
Legal and financial helpdesk

2.3 Vorfinanzierung

Antwort vom 17.10.2021

Dear team,

I have a doubt concerning the calculation of the pre-financing in Horizon Europe. One client is preparing a lump sum proposal and this point is critical to prepare the timeline of the project and number of reporting periods and work packages, ensuring funds during the lifetime of the project.

As I understood from AMGA-H2020 (art. 21 - page 198 v.5.2), the prefinancing is calculated as follows: "it will normally be (depending on the availability of EU budget credits) 100 % of the average EU funding per reporting period (i.e. maximum grant amount set out in Article 5.1 / number of periods)."

However, different clients with Horizon Europe projects have informed that they have received a pre-financing of around 53% of the Maximum Grant Amount, even if their projects have three or more reporting periods.

I would like to confirm what is the rule to calculate prefinancing in Horizon Europe and if there is any special calculation method for lump sum projects.

Antwort:

Thank you for your message.

In Horizon Europe, after the grant has been signed, the consortium will normally receive a float to start working on the project (normally, pre-financing of 160% of the average EU funding per reporting period (i.e. maximum grant amount/number of periods); exceptionally, less or no pre-financing). For actions with only one reporting period, it will be less, since 100% would mean the totality of the grant amount.

Note that payments will be automatically lowered if one of the consortium members has outstanding debts towards the EU (granting authority or other EU bodies). Such debts will be offset by the granting authority, in line with the conditions set out in the grant agreement (see Article 22). Also note that at the moment of the prefinancing payment, an amount ranging from 5% to 8% of the maximum grant amount will be deducted from the prefinancing payment and transferred to the mutual insurance mechanism. This mechanism covers the risks associated with non-recovery of sums due from the beneficiaries.

This also applies to Lump Sum projects.

2.4 Gender Equality Plan

Antwort vom 18.5.2021

Dear RES,

the Work Plan 2020/21 states in its General Annex that "To be eligible, legal entities from Member States and Associated Countries that are public bodies, research organisations or higher education establishments (including private research organisations and higher education establishments) must have a gender equality plan, covering the following minimum process-related requirements: (...)".

For clarity: Does the GEP also apply to private non-profit organisations as obligatory for being eligible in Horizon Europe?

Antwort:

For the GEP eligibility criterion, there are three categories of legal entities used in EU programmes that are concerned by this requirement:

- public bodies (including e.g. ministries, research funding organisations, municipalities, as well as public-for-profit organisations such as certain museums)
- research organisations (both public and private)
- higher education establishments (both public and private).

Other categories of legal entities, such as private-for-profit organisations, including small and medium-sized enterprises (SMEs), or non-governmental organisations (NGOs) and civil society organisations (CSOs), are not concerned. This requirement concerns legal entities applying as beneficiaries as well as affiliated entities.

Regarding countries, the requirement concerns organisations established in EU Member States and Associated Countries. Non-associated third countries are not concerned.

Kind regards,

Legal and financial helpdesk

2.5 Datenverarbeitung und Datenschutzerklärungen

Antwort vom 5.4.2022

Dear RES,

In the H2020 AMGA (Art. 39 - Processing of Personal Data), it is written that beneficiaries have the obligation to inform all employees working on EU projects about the disclosure of their data to the Commission/Agency by providing them with the relevant privacy statements (in this case, the Service Specific Privacy Statement (SSPS)). We checked the draft Horizon Europe AGA and cannot find such a paragraph there and our NCP does not have any further information. Could you kindly guide us on this topic?

Antwort:

Thank you for consulting the legal and financial helpdesk.

Please kindly note that the Research Enquiry service provides general guidance only and cannot comment on the specificities of your particular case.

Article 15.2 of the HE Model Grant Agreement (available here: [general-mga_horizon-euratom_en.pdf](#) (europa.eu)) states that beneficiaries must process personal data under the Grant Agreement in compliance with the applicable EU, international and national law on data protection. In particular, beneficiaries must inform the persons whose data are transferred to the granting authority and provide them with the Portal Privacy Statement.

With regard to explanations in the AGA about the processing of personal data, please note that rules on 'Data Protection' are so-called 'corporate rules', i.e. rules that will be used across different EU programmes and must be applied consistently. In this sense, the Commission services are working on developing further annotations in the Annotated Model Grant Agreement (including for Article 15) and their publication will follow in the next months.

Please note that the relevant privacy statements templates will be made available in due time in the Funding & Tenders Portal, available at: Reference Documents (europa.eu).

Kind regards,
Legal and financial helpdesk

3 Lump Sum-Förderungen

3.1 Nachweise für Personalkosten in Lump Sum-Projekten

Antwort vom 27.6.2023
Frage des tschechischen R&F NCPs

Dear RES,

In lump sum projects „beneficiaries do not need to keep records of their actual costs (e.g. timesheets or invoices). There is no financial reporting, and no checks or audits of the costs incurred“ (see FAQ on the FTOP).

To make it fully clear – in lump sum projects neither timesheets nor monthly declaration on days spent for the action are needed (unless required under national law or under internal procedures). Correct?

Antwort:

Thank you for your enquiry.

This is correct. Neither timesheets nor monthly declaration on days spent for the action, are requested under lump sum grants. In lump sum grants, there is no reporting of resources, and beneficiaries do not need to keep records of the actual cost incurred (those records may still have to be kept to comply with national requirements or internal procedures).

Kind regards

Research Enquiry Service - Back Office