



Europa Media Trainings

Lump sum financing: Budgeting and Reporting

Krisztina Toth

Managing Director – Europa Media Innovations

Master of Finance – The Webinar Edition
3-5 April 2023

© Europa Media

It is strictly prohibited to use or distribute the content and design of this presentation without Europa Media's prior consent.

Lump sum basics

Good to know

- Lump sum funding was tested in a pilot under Horizon 2020.
- Lump sum was designed to make the programme easier and simpler - especially for small organisations and newcomers - by removing the need to report actual costs
- The pilot was assessed in two independent studies
- Lump sum funding was slowly introduced in the 2022 Work Programme
- The first significant wave of lump sum topics are now open in the 2023-2024 Work Programmes
- Improved guidance to clarify how lump sum funding works



Concerns about lump sum

Extract from the second evaluation

Table 2. Concerns of lump sum in brief

- The LS approach may increase the complexity of the evaluation process.
- The grant preparation phase may become more complex.
- More interactions between the coordinator and the project officer may be needed.
- The payment needs to be based on work package completion: defined criteria should be used to demonstrate that the work package activities have been completed.
- The project officer should have the knowledge to understand the technical aspects of the project.
- Extra effort may be required from the coordinator in case of conflicts with underperforming partners.
- It remains to be clarified what the EC audit policy will be around this new approach.

[https://www.europarl.europa.eu/RegData/etudes/STUD/2022/697218/EPRS_STU\(2022\)697218_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/697218/EPRS_STU(2022)697218_EN.pdf)



A reimbursement system based on a fixed lump sum

Is it the right tool for the EU Framework Programme for research?

STUDY

Panel for the Future of Science and Technology

EPRS | European Parliamentary Research Service

Scientific Foresight Unit (STOA)
PE 697.218 – May 2022

EN

GOOD TO KNOW....

ACTUAL COST GRANT

- Actual cost reporting used since the beginning of FP1
- Based on a fair, transparent approach and real cost incurred
- No need for proofs until cost incurred: budget with minimal effort, reporting with full-details
- Great built-in flexibility (?) as project implementation requires modifications:
 - In between cost categories
 - In between beneficiaries
 - Timing and costs
- Decent amount of documentation needed

LUMP SUM GRANT

- Lump sum was designed to make the programme easier and decrease the financial errors of actual cost reporting.
- NO actual cost reporting
- NO CFS
- Requires more time to prepare your budget and justify your cost at proposal stage
- Flexibility during project implementation – bit more administration
- Less documentation needed

General aspects of lump sum budgets

Basic facts

- **Form of grant:** lump sum grant for the completion of work packages
- **Budget is an estimation** (see HE Lump Sum MGA Art.5.4): you need to try to foresee all costs
- **Eligibility** still applies both at budgeting and reporting
- **Budget flexibility** is not applicable



Budgeting at the proposal phase

- The budget is important primarily for you
- The **detailed lump sum budget** estimation will help in the implementation
- **Evaluators** will assess the budget (unlike in actual cost grants) – both quantitatively (€) and qualitatively (resources)
- Need to demonstrate a **stronger link** between implementation and budget
- **More time** needed for budget preparation



Updates in proposal templates

Part A - Declarations

10) For Lump Sum Grants with a detailed budget table: We understand and accept that the EU lump sum grants must be reliable proxies for the actual costs of a project and confirm that the detailed budget for the proposal has been established in accordance with our usual cost accounting practices and in compliance with the basic eligibility conditions for EU actual cost grants (see [AGA - Annotated Grant Agreement, art 6](#)) and exclude costs that are ineligible under the Programme. Purchases and subcontracting costs must be done taking into account best value for money and must be free of conflict of interest. *



Part B – Implementation

3.1 Work plan and resources [e.g. 14 pages (19 pages for topics using lump sum funding) – including tables]

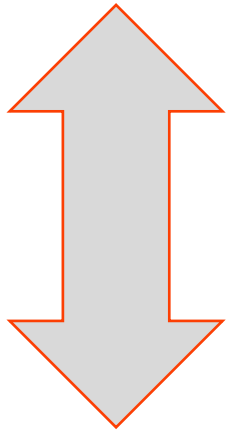
RIA/IA → Total page limit: 50 pages

3.1 Work plan and resources [e.g. 10 pages (13 pages for topics using lump sum funding) – including tables]

CSA → Total page limit: 33 pages

Budget and Resources

Budget → Part A – 3. Budget + Detailed lump sum budget (Excel file to be uploaded)



→ Mandatory attachment

Resources → Part B of the proposal

Section 3.1: Work plan and resources

Lump sum budget in Part A

3 - Budget

No	Name of Beneficiary	Country	Role	Requested grant amount
1	Geonardo Environmental Technologiesltd	HU	Coordinator	213 375.00
2	International Iniziative For A Sustainable Built Environment Italia Research And Development Srl	IT	Partner	585 312.50
3	Felicity-tools Informatikai Szolgaltato Kft	HU	Partner	333 187.50
4	Centro De Investigaciones Estrategicas Y De Desarrollo Economico Y Social De Malaga Ciedes	ES	Partner	244 042.50
5	Hochschule Fur Angewandte Wissenschaften Munchen	DE	Partner	550 000.00
6	Ceske Vysoke Uceni Technicke V Praze	CZ	Partner	362 187.50
7	University College Cork - National University Of Ireland, Cork	IE	Partner	299 375.00
8	Comune Di Torino	IT	Partner	160 312.50
9	Envirobat-bdm	FR	Partner	350 325.00
10	Granlund Oy	FI	Partner	257 550.00
	Total			3 355 667.50

Lump sum – Detailed budget table (1/2)

Horizon Europe Programme

Detailed lump sum budget

Generate the Excel file in macro-free format
Ready for the online submission system

Instructions

Go to Beneficiaries and Affiliated Entities list ! Double click buttons ! Go to Work packages list

GENERAL INSTRUCTIONS

This workbook enables you to present the detailed estimation of costs of your lump sum project and to calculate the lump sum breakdown per beneficiary and per work package. It must be uploaded as an additional document at the 'Proposal forms' step of proposal submission. This is mandatory. If you do not upload the Excel workbook, the proposal submission will be blocked.

Comprehensive guidance and background on [lump sum funding under Horizon Europe](#) is available on the Funding & Tenders Portal. To get started, we recommend to read the guide [Lump sum funding – what do I need to know](#). This includes details on how to complete this Excel workbook. The weblinks are provided in column E.

We recommend using Excel 2013 (Windows) / Excel 2016 (Mac OS) or more recent.

The only currency used in this workbook is EURO (€).

You **must complete** the following sheets: 'BE list' – 'WP list' – 'BEX' (one sheet for each beneficiary) – 'Depreciation costs' (if any). The appropriate number of individual beneficiary sheets ('BEX') will be generated automatically with data from the 'BE list' and 'WP list' sheets.

The information in this workbook **must correspond** to the main proposal. For example, the list of beneficiaries and the list of work packages must be the same. Likewise, the tables in section 3.1 of Part B of the proposal must be in line with this workbook (e.g., table 3.1h 'purchase costs', and table 3.1i 'internally invoiced goods and services').

In the 'BE list', you can add as many beneficiaries and as many affiliated entities as you need. To add beneficiaries, click on the "Add BE" button. To add an affiliated entity, click on the "Add AE" button next to the beneficiary concerned.

[Lump sum funding under Horizon Europe](#)

[Lump sum funding - what do I need to know](#)

Instructions BE list WP list Lump sum breakdown Person-months overview Summary per WP BE1 Depreciation costs Any comments



- Save as **.xlsm**
- Submit as **.xlsx** or **.xls**
- Keep the original files

Download the detailed LS budget template here:

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/reference-documents:programCode=HORIZON>

Lump sum – Detailed budget table (2/2)

- Read the **instructions** carefully
- Table to be filled in **per beneficiary**, providing a **breakdown** of all applicable cost categories **per WP**
- “**Units**” are defined only for personnel costs → person-month (PM)
- PM rates should be specified per **staff category**
- Estimated costs must follow the **eligibility** rules
- Costs must be realistic, value for money, and needed for implementation
- Additional details can be provided in the last tab “**Any comments**”

Horizon Europe Programme
Detailed lump sum budget

Generate the Excel file in macro-free format
Ready for the online submission system

Instructions

Go to Beneficiaries and Affiliated Entities list ! Double click buttons ! Go to Work packages list

GENERAL INSTRUCTIONS

This workbook enables you to present the detailed estimation of costs of your lump sum project and to calculate the lump sum breakdown per beneficiary and per work package. It must be uploaded as an additional document at the 'Proposal forms' step of proposal submission. This is mandatory. If you do not upload the Excel workbook, the proposal submission will be blocked.

Comprehensive guidance and background on [lump sum funding under Horizon Europe](#) is available on the Funding & Tenders Portal. To get started, we recommend to read the guide [Lump sum funding – what do I need to know](#). This includes details on how to complete this Excel workbook. The weblinks are provided in column E.

We recommend using Excel 2013 (Windows) / Excel 2016 (Mac OS) or more recent.

The only currency used in this workbook is EURO (€).

You **must complete** the following sheets: 'BE list' – 'WP list' – 'BEx' (one sheet for each beneficiary) – 'Depreciation costs' (if any). The appropriate number of individual beneficiary sheets ('BEx') will be generated automatically with data from the 'BE list' and 'WP list' sheets.

The information in this workbook **must correspond** to the main proposal. For example, the list of beneficiaries and the list of work packages must be the same. Likewise, the tables in section 3.1 of Part B of the proposal must be in line with this workbook (e.g., table 3.1h 'purchase costs', and table 3.1i 'internally invoiced goods and services').

In the 'BE list', you can add as many beneficiaries and as many affiliated entities as you need. To add beneficiaries, click on the "Add BE" button. To add an affiliated entity, click on the "Add AE" button next to the beneficiary concerned.

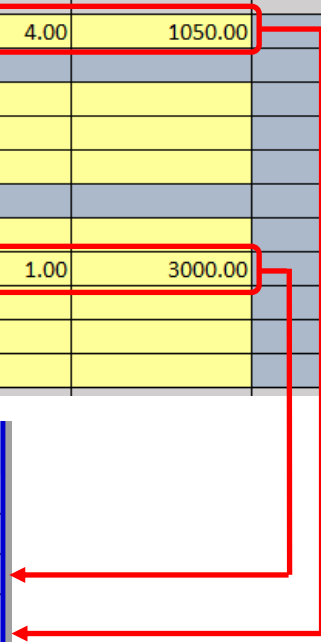
Instructions BE list WP list Lump sum breakdown Person-months overview Summary per WP BE1 Depreciation costs Any

BENEFICIARY CALCULATION SHEET

summary		BENEFICIARY 1: Europa Media		
COST CATEGORY		UNITS	COST PER UNIT	BE TOTAL COSTS
COSTS WORK PACKAGE 1: Project Management and Coordination				
A. DIRECT PERSONNEL COSTS				
A.1 Employees (or equivalent)				
SENIOR SCIENTISTS (or equivalent in the private sector)		3.00	7500.00	22,500.00
JUNIOR SCIENTISTS (or equivalent in the private sector)		2.00	4500.00	9,000.00
TECHNICAL PERSONNEL (or equivalent in the private sector)				0.00
ADMINISTRATIVE PERSONNEL (or equivalent in the private sector)				0.00
OTHERS				0.00
A.2 Natural Persons under direct contract				
A.3 Seconded Persons				
A.4 SME owners and natural person beneficiaries				
			3,657.60	0.00
B. DIRECT SUBCONTRACTING COSTS				
				0.00
C. DIRECT PURCHASE COSTS				
C.1 Travel and subsistence				
		4.00	1050.00	4,200.00
C.2 Equipment (complete 'Depreciation costs' sheet)				
<i>Equipment</i>				0.00
<i>Infrastructure</i>				0.00
<i>Other assets</i>				0.00
C.3 Other goods, works and services				
<i>Consumables</i>				0.00
<i>Services for meetings, seminars</i>		1.00	3000.00	3,000.00
<i>Services for dissemination activities (including website)</i>				0.00
<i>Publication fees</i>				0.00
<i>Other (shipment, insurance, translation, etc.)</i>				0.00

Page 1

Any comments			
nr	BE ref	WP ref	Comments
1	1	1	Room rent and catering services for the 1st progress meeting
2	1	1	Travel cost unit rate for 1 person/2-night trip to project meeting/review meetings (4 units in total)



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	
									EDIT THIS TABLE IF MODIFICATION NEEDED													
WP1 Project Management and Coordination	EM	SWG	SH	VF	WS	F6S			EM	SWG	SH	VF	WS	F6S	Airfare	Per diem	Accomm.	Nights	Pax	Total		
	P1	P2	P3	P4	P5	P6			P1	P2	P3	P4	P5	P6								
Kick-off meeting M1, Estonia	2,100.00 €	- €	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €			2	0	1	1	1	1	600	75	150	2	1	1050	1pax/partner	
1st Progress meeting M7, Hungary during Untold Stories Conference	- €	- €	- €	- €	- €	- €			0	0	0	0	0	0								
2nd progress meeting M12, Slovenia during PODIM 2024	- €	- €	- €	- €	- €	- €			0	0	0	0	0	0								
3rd Progress meeting M17, Poland during Wolves Summit 2024	- €	- €	- €	- €	- €	- €			0	0	0	0	0	0								
Final meeting M24, Slovenia, during PODIM 2025.	- €	- €	- €	- €	- €	- €			0	0	0	0	0	0								
Review meeting 2024 - Brussels (M13)	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €			1	1	1	1	1	1								
Review meeting 2025 - Brussels (M24)	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €	1,050.00 €			1	1	1	1	1	1								
TOTAL WP1	4,200.00 €	2,100.00 €	3,150.00 €	3,150.00 €	3,150.00 €	3,150.00 €	18,900.00 €		4.00 €	2.00 €	3.00 €	3.00 €	3.00 €	3.00 €								
WP2 Engagement Strategy	EM	SWG	SH	VF	WS	F6S			EM	SWG	SH	VF	WS	F6S	Airfare	Per diem	Accomm.	Nights	Pax	Total		
	P1	P2	P3	P4	P5	P6			P1	P2	P3	P4	P5	P6								
N/A	- €	- €	- €	- €	- €	- €			0	0	0	0	0	0	600	75	150	2	1	1050	1 pax/partner	
N/A	- €	- €	- €	- €	- €	- €			0	0	0	0	0									
TOTAL WP2	- €	- €	- €	- €	- €	- €			- €	- €	- €	- €	- €	- €								
WP3 Engaging Investors	EM	SWG	SH	VF	WS	F6S			EM	SWG	SH	VF	WS	F6S	Airfare	Per diem	Accomm.	Nights	Pax	Total		
	P1	P2	P3	P4	P5	P6			P1	P2	P3	P4	P5	P6								
Ecosystem visits in Y1/1	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €			1	1	1	1	1	1	600	75	150	3	1	1275	2pax/partner	
Ecosystem visits in Y1/2	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €			1	1	1	1	1	1								
Ecosystem visits in Y2/1	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €			1	1	1	1	1	1								
Ecosystem visits in Y2/2	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €	1,275.00 €			1	1	1	1	1	1								
									0	0	0	0	0	0								
TOTAL WP3	5,100.00 €	5,100.00 €	5,100.00 €	5,100.00 €	5,100.00 €	5,100.00 €	30,600.00 €		4.00 €	4.00 €	4.00 €	4.00 €	4.00 €	4.00 €								
WP4 Investors Roadshow	EM	SWG	SH	VF	WS	F6S			EM	SWG	SH	VF	WS	F6S	Airfare	Per diem	Accomm.	Nights	Pax	Total		
	P1	P2	P3	P4	P5	P6			P1	P2	P3	P4	P5	P6								
Podim 2024 (VF)	2,550.00 €	2,550.00 €	2,550.00 €	- €	2,550.00 €	2,550.00 €			2	2	2	0	2	2	600	75	150	3	1	1275	1pax/partner	
Podim 2025 (VF)	2,550.00 €	2,550.00 €	2,550.00 €	- €	2,550.00 €	2,550.00 €			2	2	2	0	2	2								
Wolves Summit 2023 (WS)	2,550.00 €	2,550.00 €	2,550.00 €	2,550.00 €	- €	2,550.00 €			2	2	2	2	0	2								
Wolves Summit 2024 (WS)	2,550.00 €	2,550.00 €	2,550.00 €	2,550.00 €	- €	2,550.00 €			2	2	2	2	0	2								
Untold 2023 (EM-SH)	- €	2,550.00 €	- €	2,550.00 €	2,550.00 €	2,550.00 €			0	2	0	2	2	2								
Untold 2024 (EM-SH)	- €	2,550.00 €	- €	2,550.00 €	2,550.00 €	2,550.00 €			0	2	0	2	2	2								
TOTAL WP4	10,200.00 €	15,300.00 €	10,200.00 €	10,200.00 €	10,200.00 €	15,300.00 €	71,400.00 €		8.00 €	12.00 €	8.00 €	8.00 €	8.00 €	12.00 €								
WP5 Dissemination, Exploitation and Communication	EM	SWG	SH	VF	WS	F6S			EM	SWG	SH	VF	WS	F6S	Airfare	Per diem	Accomm.	Nights	Pax	Total		
	P1	P2	P3	P4	P5	P6			P1	P2	P3	P4	P5	P6								
Promoting the project at international startup events (1 event/ year)	2,100.00 €	- €	- €	- €	- €	2,100.00 €			2	0	0	0	0	2	600	75	150	2	1	1050	1pax/partner	
									0	0	0	0	0	0								
TOTAL WP5	2,100.0 €	- €	- €	- €	- €	2,100.0 €	4,200.0 €		2.0 €	- €	- €	- €	- €	2.0 €								



Part B – Resources

Table 3.1f: Summary of staff effort

Please indicate the number of person/months over the whole duration of the planned work, for each work package, for each participant. Identify the work-package leader for each WP by showing the relevant person-month figure in bold.

	WPn	WPn+1	WPn+2	Total Person-Months per Participant
Participant Number/Short Name				
Participant Number/Short Name				
Participant Number/Short Name				
Total Person Months				

Table 3.1i: 'Other costs categories' items (e.g. internally invoiced goods and services)

Please complete the table below for each participants that would like to declare costs under other costs categories (e.g. internally invoiced goods and services), irrespective of the percentage of personnel costs.

Participant Number/Short Name		
	Cost (€)	Justification
Internally invoiced goods and services		
...		

Table 3.1g: 'Subcontracting costs' items

For each participant describe and justify the tasks to be subcontracted (please note that core tasks of the project should not be sub-contracted).

Participant Number/Short Name		
	Cost (€)	Description of tasks and justification
Subcontracting		

Table 3.1h: 'Purchase costs' items (travel and subsistence, equipment and other goods, works and services)

Please complete the table below for each participant if the purchase costs (i.e. the sum of the costs for 'travel and subsistence', 'equipment', and 'other goods, works and services') exceeds 15% of the personnel costs for that participant (according to the budget table in proposal part A). The record must list cost items in order of costs and starting with the largest cost item, up to the level that the remaining costs are below 15% of personnel costs.

Participant Number/Short Name		
	Cost (€)	Justification
Travel and subsistence		
Equipment		
Other goods, works and services		
Remaining purchase costs (<15% of pers. Costs)		
Total		

Table 3.1f: Summary of staff effort

	WP1	WP2	WP3	WP4	WP5	Total Person-Months per Participant
P1 EM	5	3	3	3	4	18
P2 SWG	2	3.5	3.5	2.5	1.5	13
P3 SH	2	3	3	4.5	1.5	14
P4 VF	2	4	3	7	1.5	17.5
P5 WS	2	3	4.5	5	1.5	16
P6 F6S	2	3.5	3	2	7.5	17.5
Total Person Months	15	20	20	24	17	96

Table 3.1g: 'Subcontracting costs' items

9/EBDM		
	Cost (€)	Description of tasks and justification
Subcontracting	30.000	WP2 - Conduct a study on best practices and return on experiences on buildings and neighbourhoods involved in our assessment schemes BDM and QDM (20.000EUR) WP3 - experts in facilitation of working group and subcontracting of experts on risk management and adaptation in urban planning (10.000EUR)

Table 3.1h: 'Purchase costs' items

P1 EM	Cost (€)	Justification
Travel and subsistence	21 600	WP1: Travel to project meetings (Kick off, Progress, Final, Review meetings). WP3: Travel to ecosystem visits. WP4: Travel to Investors Roadshows at PODIM and Wolves Summit 2023-2024. WP5: Travel to international startup events.
Other goods, works and services	36 000	Organizing 1 st progress meeting (room, catering). Organizing side events at Untold Stories Conference 2023-2024 (room, catering, engaged international investors). D&C costs.
Remaining purchase costs	-	
Total	57 600	

Tips for Part B

- Higher number of **WPs** (split but don't artificially modify)
- More **details** on the division of responsibilities among partners within WPs and tasks
- Less complex **work plan** with fewer interdependencies
- Different/tailored **project management** structure (consider under section 3.2: Consortium as a whole)
- Deliverable/milestone **schedules** to be aligned and cross-checked
- More **precise wording** of tasks, deliverables, milestones
- Cross-check the figures in the Excel and Part B for **consistency**



Potential problems

- Overinflated budget (abnormal PM rate, excessive cost items)
- Unjustified budget (poor/missing explanation in Part B / Comments)
- Unclear responsibilities
- WP descriptions not allowing to identify completion
- Domino effect due to failure in WPs (non-performing partners or technical issues)



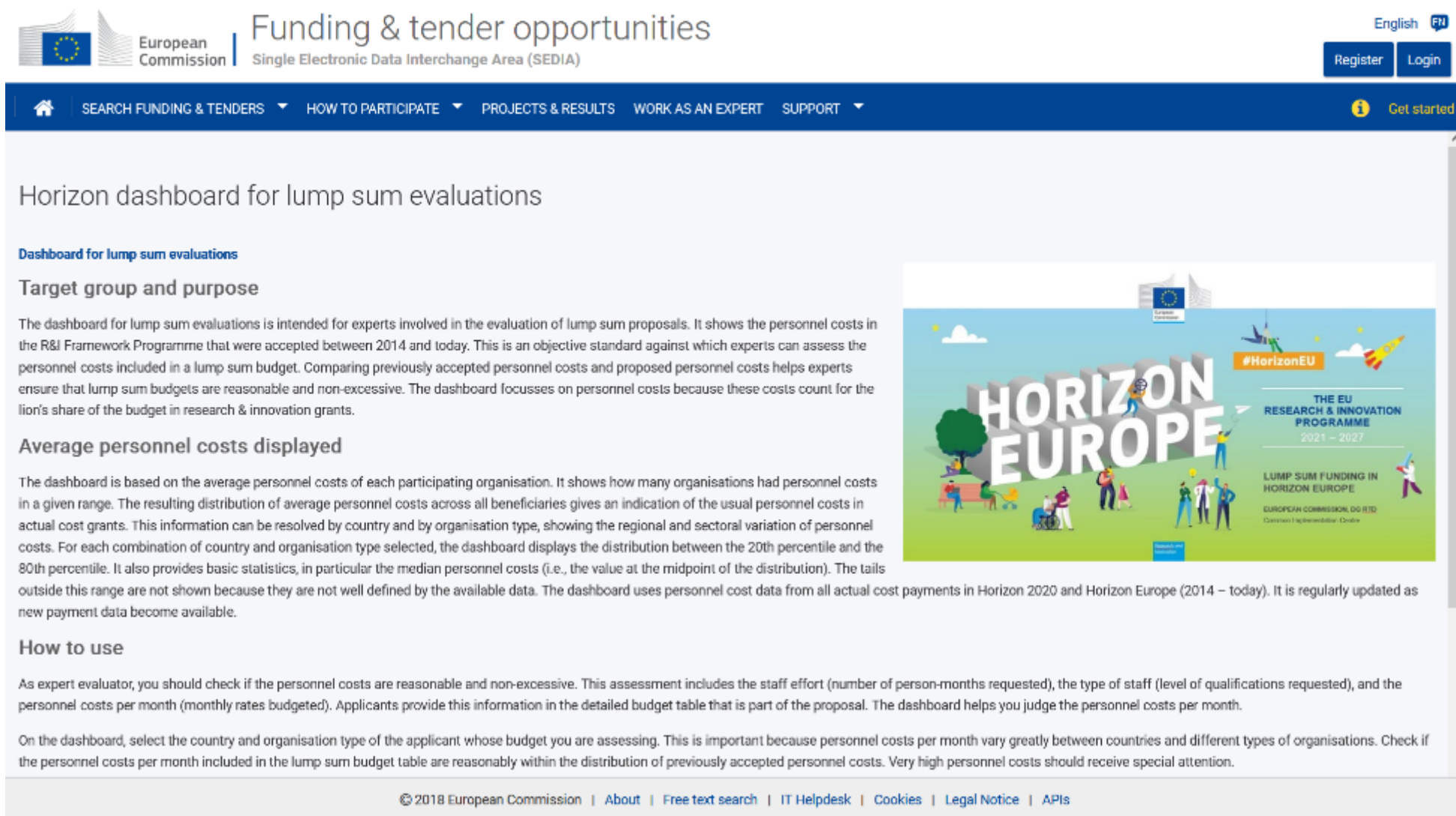
Evaluation and GA preparation

Assessment of the lump sum budget and resources

- The lump sum budget to be evaluated under the criterion “**quality of implementation**” (Section 3 of Part B)
- **Quantitative** assessment: are the figures reasonable?
- **Qualitative** assessment: are the planned resources necessary and justified?
- Experts will be able to make **recommendations** on the budget and resources
- *Significant shortcomings* in the lump sum budget may lead to a lower **score**



Horizon dashboard for lump sum evaluations



European Commission | Funding & tender opportunities
Single Electronic Data Interchange Area (SEDIA)

English FR
Register Login

SEARCH FUNDING & TENDERS ▾ HOW TO PARTICIPATE ▾ PROJECTS & RESULTS WORK AS AN EXPERT SUPPORT ▾ Get started

Horizon dashboard for lump sum evaluations

Dashboard for lump sum evaluations

Target group and purpose

The dashboard for lump sum evaluations is intended for experts involved in the evaluation of lump sum proposals. It shows the personnel costs in the R&I Framework Programme that were accepted between 2014 and today. This is an objective standard against which experts can assess the personnel costs included in a lump sum budget. Comparing previously accepted personnel costs and proposed personnel costs helps experts ensure that lump sum budgets are reasonable and non-excessive. The dashboard focusses on personnel costs because these costs count for the lion's share of the budget in research & innovation grants.


Average personnel costs displayed

The dashboard is based on the average personnel costs of each participating organisation. It shows how many organisations had personnel costs in a given range. The resulting distribution of average personnel costs across all beneficiaries gives an indication of the usual personnel costs in actual cost grants. This information can be resolved by country and by organisation type, showing the regional and sectoral variation of personnel costs. For each combination of country and organisation type selected, the dashboard displays the distribution between the 20th percentile and the 80th percentile. It also provides basic statistics, in particular the median personnel costs (i.e., the value at the midpoint of the distribution). The tails outside this range are not shown because they are not well defined by the available data. The dashboard uses personnel cost data from all actual cost payments in Horizon 2020 and Horizon Europe (2014 – today). It is regularly updated as new payment data become available.

How to use

As expert evaluator, you should check if the personnel costs are reasonable and non-excessive. This assessment includes the staff effort (number of person-months requested), the type of staff (level of qualifications requested), and the personnel costs per month (monthly rates budgeted). Applicants provide this information in the detailed budget table that is part of the proposal. The dashboard helps you judge the personnel costs per month.

On the dashboard, select the country and organisation type of the applicant whose budget you are assessing. This is important because personnel costs per month vary greatly between countries and different types of organisations. Check if the personnel costs per month included in the lump sum budget table are reasonably within the distribution of previously accepted personnel costs. Very high personnel costs should receive special attention.



© 2018 European Commission | About | Free text search | IT Helpdesk | Cookies | Legal Notice | APIs

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon/lump-sum/dashboard>

Lump Sum Model GA

Specific rules

- **Specific applicable rules** are highlighted in **purple**
- **Text in grey** indicates that text which is used in other EU programmes is **not applicable for this programme**.

Project: [insert number] — [insert acronym] — [insert call identifier]

EU Grants: [PROGR Lump Sum MGA — Multi & Mono]: V1.0 — 01.06.2021

ARTICLE 4 — DURATION AND STARTING DATE

The duration and the starting date of the action are set out in the Data Sheet (see Point 1).

CHAPTER 3 — GRANT

ARTICLE 5 — GRANT

5.1 Form of grant

The grant is an action grant¹² which takes the form of a **lump sum grant for the completion of work packages**.

5.2 Maximum grant amount

The maximum grant amount is set out in the Data Sheet (see Point 3) and in the estimated budget (Annex 2).

[OPTION for programmes with contingency reserve: [OPTION if selected for the call: The maximum grant amount can be raised at the end of the action, by activating the contingency reserve set out in the Data Sheet (see Point 3).]]

5.3 Funding rate

Not applicable



[insert programme name (acronym)]

Model Grant Agreement

Lump Sum Grants

[(PROGR Lump Sum MGA— Multi & Mono)]

Version 2.0
01 March 2023

Disclaimer

This document is aimed at assisting applicants. It shows the full range of provisions that may be applied to this type of agreement, and is provided for information purposes only. The legally binding agreement will be that which is signed by the parties in the system.

Modification requests

Comments from the evaluators & potential request from the consortium

Lump Sum distribution

- Evaluators will check whether the resources proposed and split of lump sum shares are reasonable.
- If needed, they can make **recommendations on changes to the detailed budget table**, therefore the lump sum amount and the lump sum breakdown will be modified during the GA preparation.
- Evaluators can also recommend to **decrease the lump sum amount** for a WP and/or a beneficiary OR **to reallocate lump sum shares** among WPs and/or beneficiaries.

Further breakdown of Work Packages

- Further breakdown of horizontal WPs during the GA preparation is possible, but it requires prior agreement with your PO

Please note: *Following the recommendations of the evaluators, the requested grant amount might be decreased, however the requested grant amount can not be increased!*



Evolution of your LS budget

Lump sum budget in the GA

Project: [insert number] — [insert acronym] — [insert call identifier]

EU Grants: [JUST/REC Lump Sum MGA — Multi & Mono]: V1.0 – 01.06.2021

ANNEX 2

ESTIMATED BUDGET

ANNEX 2 XXX LUMP SUM MGA — MULTI & MONO

ESTIMATED BUDGET (LUMP SUM BREAKDOWN) FOR THE ACTION

Estimated EU contribution											
Estimated eligible lump sum contributions (per work package)											Maximum grant amount ³
WP1 [name]	WP2 [name]	WP3 [name]	WP4 [name]	WP5 [name]	WP6 [name]	WP7 [name]	WP8 [name]	WP9 [name]	WP10 [name]	WP DOC	
/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	
	a	b	c	d	e	f	g	h	i	j	k
1 - [short name beneficiary]											
1.1 - [short name affiliated entity]											
2 - [short name beneficiary]											
2.1 - [short name affiliated entity]											
X - [short name associated partner]											
Total concotions											

CHANGES

- The breakdown of lump sum shares will be part of your GA – Annex 2. The submitted, detailed lump sum budget table is not part of your GA.
- Once the lump sum is fixed in the GA, **it will not be questioned**, during the implementation of the project.

Payment schedule

Payments in Lump sum projects

Almost the same, except...

Pre-financing

- One pre-financing
- 5% contribution to the Mutual Insurance Mechanism will be deducted from the pre-financing
- Coordinator distributes the amount based on the provisions of the Consortium Agreement

Interim payment(s)

- One or more, depending on the duration of the project and the number of periods set in your GA
- EC will pay the shares of the lump sum, defined in your lump sum budget for the work packages completed and approved in the reporting period.

Payment of the balance

- Payment of the balance from the EC
- Partial payment for partially completed work packages possible
- Amount retained for the Mutual Insurance Mechanism

Reporting

Reporting obligations

of the lump sum projects

Continuous reporting

As it is in any other Horizon Europe grants

Periodic reporting

Consist of **Technical** report (same as in the actual cost grants) and **Status of Work Packages**

Process:

- Consortium will prepare a **detailed Technical report**.
- The coordinator declares work packages as **Completed or Not Completed**. This should be justified by the technical periodic report. Partially completed – only at the last reporting period.
- The **project officer will assess** the technical report and the status for each work packages declared
- There is **no reporting of actual costs or of resources**.



Periodic reporting module

Functionalities

- At the end of each reporting period, each beneficiary will receive a notification to complete:
- Their contribution to the **Technical Part** (this is common for all beneficiaries in the project)
- Their contribution to the **Status of Work Packages** (this is common for all beneficiaries in the project)
- They can see the read-only **Status of Work Packages** and the **Periodic Report composition** task, which need to be completed by the Coordinator.

The screenshot displays the 'RESEARCH & INNOVATION Grant Management Services' interface. The header includes the European Commission logo and a user profile for 'Generic DEVUSERCOORDINATOR'. The main content area is divided into two sections for reporting tasks:

- Periodic Reporting and Payment - Lump Sums** (REP-237556-1 - period 01/03/2021 > 28/02/2022): This task is currently in the 'Draft' stage, as indicated by the progress bar and the 'Draft' label. It includes sub-tasks for 'Technical Part contribution', 'Status of Work Packages contribution', and 'Periodic Report composition'. Action buttons for 'Lock & Include' and 'Submit to EU' are visible.
- Continuous Reporting** (237556 - 237556 SURDULI - SURDU Liviu-Iulian [ABAC: ABACBUDT]): This task is in the 'Started' stage, as indicated by the progress bar and the 'Started' label. It includes a sub-task for 'Continuous reporting data'.

The left sidebar provides navigation options: 'MY PROJECT', 'Latest Legal Data', 'Active Processes', 'Document Library', 'Communication Centre', and 'Archived Processes'. The right sidebar contains a 'Launch new interaction with the EU' button and a 'locking...' indicator.

Status of the Work Packages

Periodic reporting

Grant Management Project Periodic Report ndevugen (EXTERNAL) ?

237556 (237556 SURDULI ..) InnovFun.. Status Of WP

Period No: 1 Duration (months): 12 Reporting Period : [01 Mar 2021 - 28 Feb 2022]

Status of completion SAVE

Number	Title	Lead Beneficiary	Status of Completion	Completion %
WP1	wp1	AST GmbH	Partially Completed	60.00
WP2	wp2	AAA	Completed	100.00
WP3	wp3	AST GmbH	Partially Completed	50.00
WP4	wp4	AAA	Not Completed	0.00
WP5	wp5	AST GmbH	Not Completed	0.00

- The Coordinator declares the status of the work packages as **Completed** or **Not Completed**
- An incomplete work package can be completed and paid in a subsequent reporting period.
- Partially Completed** status with **% of completion** can only be used at the final reporting period
- Completion of the work packages are based on the completion of the activities** and not on a successful outcomes (like the action grants)

Validate

Financial statements

Periodic reporting

- The **Locking & Including** of the Status of Work packages by the Coordinator **automatically generate the Financial Statement for all beneficiaries** and sent a notification to the Coordinator that the Financial Statement is ready to be signed.
- Financial Statements are **created based on the completed work packages** (at the final reporting, partially completed work packages as well) and the **corresponding lump sum shares**.

Launch new interaction with the EU +

Periodic Reporting and Payment - Lump Sums
REP-237556-1 - period
01/03/2021 > 28/02/2022

01 Mar 2022

Draft Submitted Observations Paid

+ Status of Work Packages contribution

+ Periodic Report composition

Lock & Include

Coordinator C

Submit to EU

Process documents

Process communications

Process history

Periodic Reporting and Payment - Lump Sums
REP-245724-1 - period
11/04/2021 > 10/07/2022

11 Jul 2022

Draft Submitted Observations Paid

+ Financial Part TELIA [PIC 922460301]

+ Periodic Report composition

Lock for review

Submit to EU

Process documents




Process communications

Process history

Keeping records

Keeping records

You need vs. You don't need, however.....

You need (e.g.)	You don't need
	
<ul style="list-style-type: none"> <input type="checkbox"/> Technical documents <input type="checkbox"/> Publications, prototypes, deliverables <input type="checkbox"/> Documentation required by good research practices such as lab books <input type="checkbox"/> ...any document proving that the work was done as detailed in Annex 1 	<ul style="list-style-type: none"> <input type="checkbox"/> Time-sheets <input type="checkbox"/> Pay-slips or contracts <input type="checkbox"/> Depreciation policy <input type="checkbox"/> Invoices <input type="checkbox"/> ...any documents proving the actual costs incurred
	
<p>Same as for all Horizon Europe grants</p>	

What if?

- lump sum project is not your only project
- if you have both a running action grant and a lump sum project and what if one of them is H2020 and the other one is Horizon Europe?
- What if you have colleagues who are working on both a lump sum project and an action grant?

Good questions, right?

Source: EC slides: Lump Sum Funding in Horizon Europe: How does it work? How to write a proposal? (9 February 2023)

A black clothespin is attached to a thin, dark string that runs diagonally across the frame. The clothespin is holding a white rectangular card. The card has the word "QUESTIONS?" written on it in a bold, orange, sans-serif font. The background is a plain, light gray surface.

QUESTIONS?

Thank
you

for your attention

Krisztina Toth
krisztina.toth@europamedia.org



FOLLOW US!
@EuropaMedia

© Europa Media

It is strictly prohibited to use or distribute the content and design of this presentation without Europa Media's prior consent.