



# HORIZON EUROPE

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## THE EU RESEARCH & INNOVATION PROGRAMME

2021 – 2027

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How to manage your HE  
grant agreement



15 June 2026



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# Reporting



# Reporting – Overview and key features

## Art. 21.1 HE MGA

### Continuous reporting



e.g. deliverables, milestones, outputs/outcomes, critical risks, indicators, etc; if any), in the Portal Continuous Reporting tool and in accordance with the timing and conditions it sets out

## Art. 21.2 HE MGA

### Periodic reporting

#### Technical part



includes an overview of the action implementation. It must be prepared using the template available in the Portal Periodic Reporting tool

#### Financial part



#### For additional prefinancing(s) (if any)

- a statement on the use of the previous prefinancing payment

#### For interim (if any) and final payments

- Financial statement (individual and consolidated)
- Report on the use of resources – cost explanations
- \*Certificates on the financial statements



# Reporting – Extra insights



## WHEN

Schedule and modalities set out in the **Data Sheet** (see **Point 4.2**)



## CURRENCY (Art 21.3 HE MGA)

The financial statements must be drafted in euro



## REPORTING LANGUAGE (Art 21.4 HE MGA)

In principle, the reporting must be in the language of the Agreement (in general, English)

# Reporting – Type of costs

[D.3 Transnational access to research infrastructure unit costs]

[D.4 Virtual access to research infrastructure unit costs]

[D.5 PCP/PPI procurement cost]

...



## PERSONNEL COSTS



## SUBCONTRACTING COSTS



## PURCHASE COSTS



## OTHER COST CATEGORIES

*e.g.*



## INDIRECT COSTS

❖ Cost of the time worked for the project by:

- **A.1** Employees
- **A.2** Natural persons under direct contract
- **A.3** Seconded persons
- **A.4** SME owners and natural person beneficiaries

❖ You sub-contract another entity to do part of the work allocated to you in the description of the action

❖ **Travel and subsistence costs** for trips necessary for the project

❖ **Equipment** used for the project. In most cases, check if depreciation /full costs are eligible

❖ **Other goods, works and services**

❖ **Financial support to third parties**

❖ **Internal invoices**  
Cost charged internally from one department to another of the same beneficiary; but only if you have a defined cost accounting method

❖ **25% flat rate** applied on most of the other budget categories. When reporting, the IT system will calculate this automatically!

# Reporting – Personnel costs v. Person Months



## PERSON MONTHS

Based on the usual practice of the beneficiary



## PERSONNEL COSTS

Calculated according to the formula in Article 6.2.A of the HE MGA

# What are the categories of personnel?

(Article 6.2.A Horizon Europe MGA)

## A.1 EMPLOYEES (OR EQUIVALENT)

- ❖ For your personnel working under an **employment contract** (or **equivalent appointing act**, e.g. for civil servants) and assigned to the action.

## A.2 PERSONS UNDER DIRECT CONTRACT & A.3 SECONDED PERSONS AGAINST PAYMENT

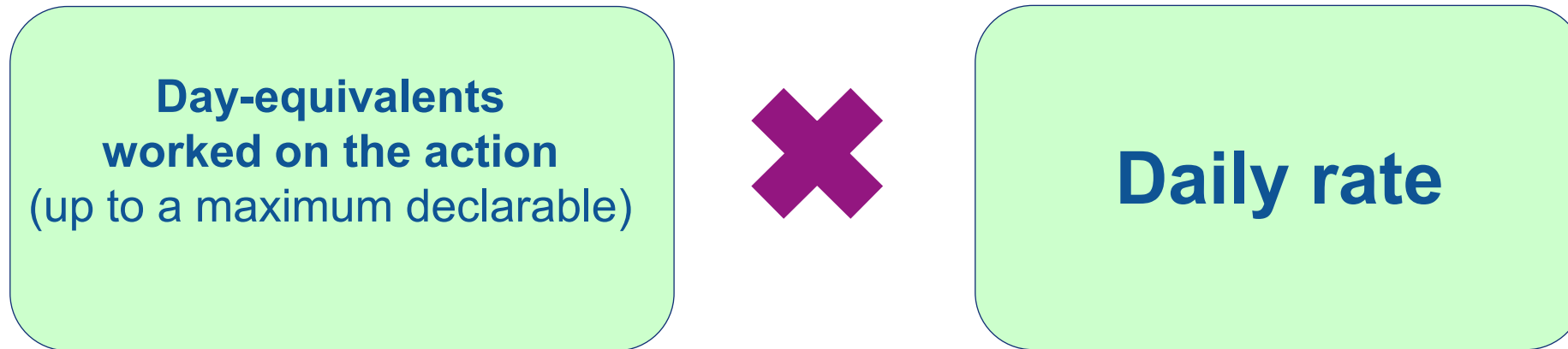
- ❖ A.2 Costs for natural persons working under a **direct contract other than an employment contract** (e.g. in-house consultants)
- ❖ A.3 costs for seconded persons **by a third party against payment.**
  - work under conditions similar to those of an employee*
  - the result of the work belongs to the beneficiary*

## A.4 SME OWNERS AND NATURAL PERSON BENEFICIARIES

- ❖ Costs for SME owners (i.e. **owners** of beneficiaries that are small and medium-sized enterprises **not receiving a salary**) or
- ❖ Costs for **natural person beneficiaries** (i.e. beneficiaries that are **natural persons not receiving a salary**)

# How to calculate your personnel costs?

## Corporate formula



## Basic principles

- *Simplification → Commission-wide formula (valid across EU programmes)*
- *Single calculation for the reporting period as a rule*
- *Per person who worked in the action*
- *Single formula to cover most situations encountered by beneficiaries*
- *Maximum declarable day-equivalents: pro-rata of 215 days*

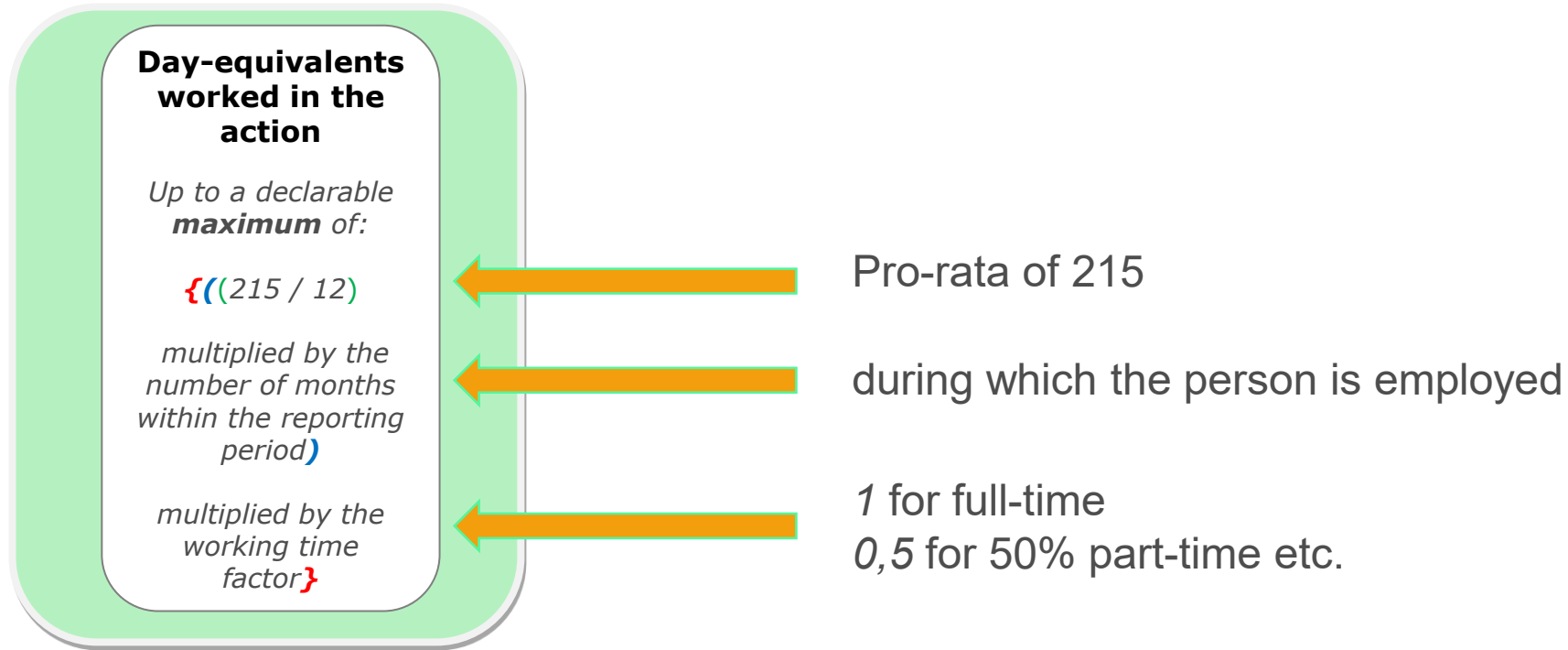
# Days-equivalents worked in the action



## To be recorded via:

- A monthly declaration (*Commission template*)
- Or another reliable time-recording system in place

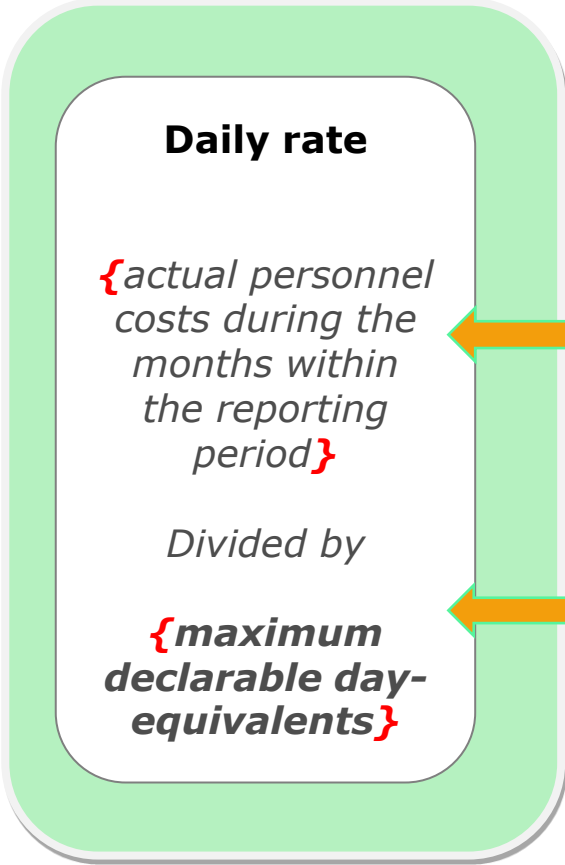
# Maximum declarable day-equivalents



## Double capping:

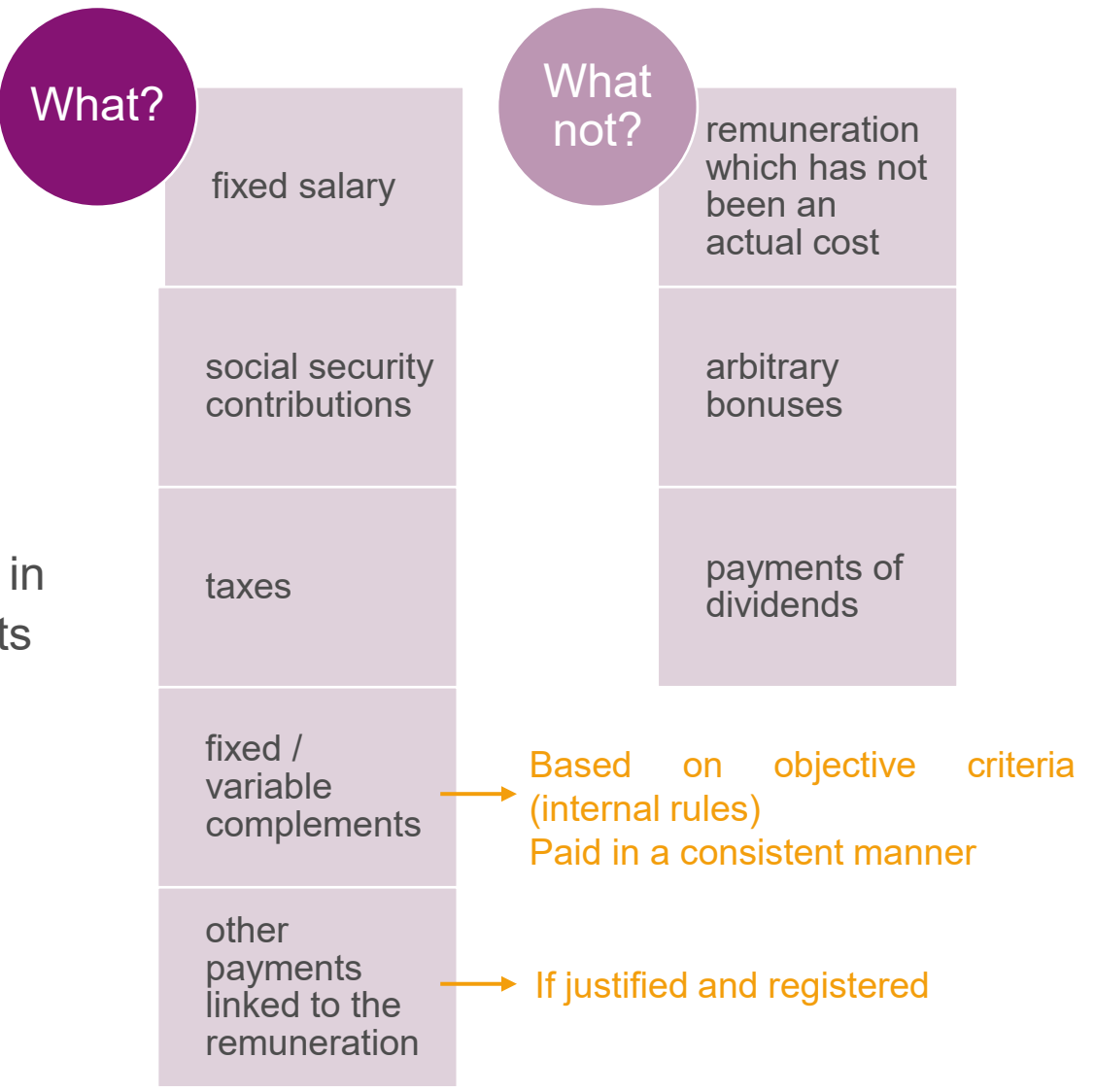
- ✓ **Horizontal ceiling:** In case of work on multiple actions per year, the total number of day-equivalents declared across EU grants for the person can NOT be higher than 215 per calendar year (or the corresponding pro-rata by multiplying 215 with the working time factor), to avoid double-funding of personnel cost
- ✓ **Reporting period ceiling:** the number of days-equivalents to be declared is capped at the maximum declarable day-equivalents per reporting period

# Calculation of the daily rate



Eligible cost recorded in your statutory accounts

Pro-rata of 215



# Specific case – Project-base remuneration

**When:** for employees (or equivalent) whose level of remuneration increases when and because the employee works in (EU, national or other) projects.

**How:** for the calculation of the daily rate

**Step 1:** **action daily rate** per person

*{actual personnel costs for work on the action [incl. project-based supplementary payments, bonuses, increased salary, etc] during the months within the reporting period}*

*divided by*

*{day-equivalents worked by the person on the action during the months within the reporting period}*

**Step 2:** compare the action daily rate with the **national project daily rate**, i.e. the (theoretical) daily rate that you would pay to the person for work in national projects, in accordance with your usual remuneration practices



The daily rate to be used for the EU grant financial statement will be **the lower of the two.**

# Specific case – Project-base remuneration



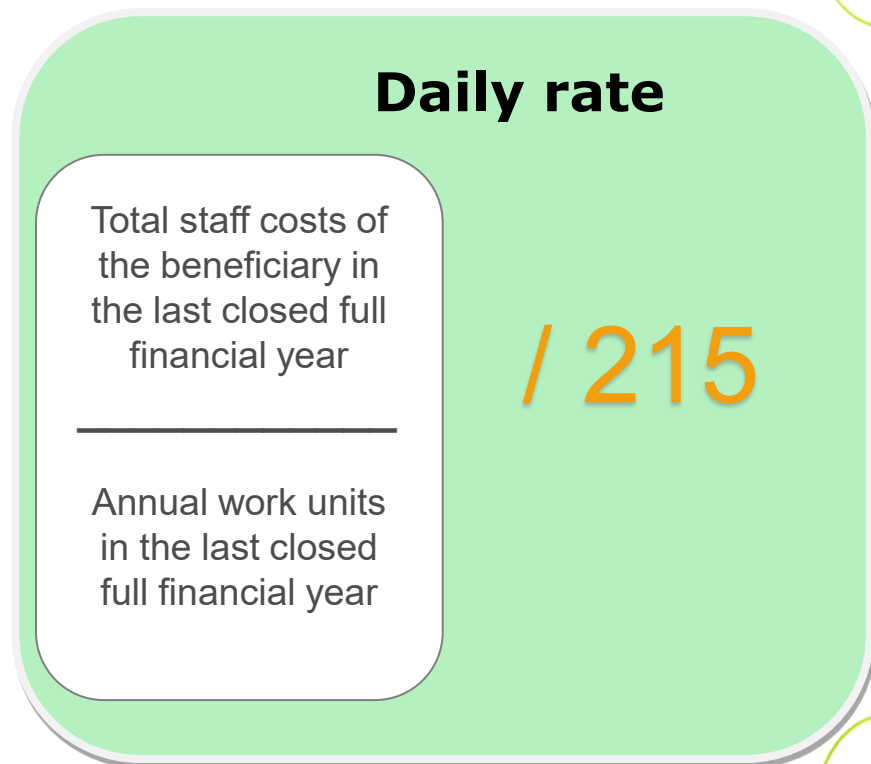
## National projects daily rate: how to calculate it?

*{theoretical personnel costs for similar work in a national project over the same number of months as the reporting period}*  
divided by  
*{maximum declarable day-equivalents}*

- In **regulatory requirements**
- In the beneficiary's written **internal remuneration rules**
- **'Fall-back option'**: if no regulatory requirements and the beneficiary does not have internal rules:  
*{(total personnel costs of the person in the last complete year) minus (remuneration paid for EU actions during that complete year)}*  
divided by  
*{215 minus (days worked in EU actions during that complete year)}*

# *Too complicated?*

## The optional unit cost for personnel!



A **DAILY RATE** fixed ex-ante for the individual beneficiary

Applicable to **all persons** working for the beneficiary

Applicable to **all HE 'actual costs' grants** of the beneficiary

**OPTIONAL:** actual costs still apply by default

Beneficiaries in the same grant **may use different options**

# Purchase costs (Article 6.2.C HE MGA)



## C.1 Travel and subsistence

- Travel costs
- Accommodation costs
- Subsistence costs



## C.2 Equipment

- Depreciation costs (by default)
- Full costs for all or some equipment (3 options)



## C.3 Other goods, works and services

- e.g. consumables and supplies

### COMMON ELIGIBILITY RULES for purchase costs

- must fulfil the general eligibility conditions and
- be bought using the beneficiary's usual purchasing practices, provided the following is ensured:
  - ✓ **best value for money (or if appropriate the lowest price) and**
  - ✓ **no conflict of interests**



*Specific case: Beneficiaries that are 'contracting authorities/entities' must also comply with the applicable national law on public procurement*

# Avoiding errors in costs eligibility



## Subcontracts v. Purchases

The core criterium for distinguishing between subcontracts and contracts/purchases is whether they concern action tasks as set out in the description of the action (DoA Annex 1 of the Grant Agreement).

Subcontracts	Purchases
Subcontracts concern the implementation of 'action tasks' described in Annex 1.	Purchases concern any other contracting cost (travel, equipment, goods, works and services) that are necessary for the beneficiaries to implement the work (can range from big equipment to petty goods) but do not constitute by themselves an action task described in Annex 1.
The price for the subcontracts will be declared as 'Subcontracting costs' in the financial statement.	The price for these contracts will be declared in one of the 'Purchase costs' columns in the financial statement.

# Avoiding errors in costs eligibility



## Subcontractors and purchases v. affiliated entities

In contrast to subcontractors, affiliated entities have a link (e.g. *legal or capital*) with a beneficiary which goes beyond the implementation of the action.

Subcontracts and purchases	Affiliated entities
The beneficiaries have a <i>contractual</i> link with subcontractors/suppliers, with the object to buy something or subcontract action tasks.	With affiliated entities, there is a more <i>permanent legal link</i> which is not limited to the project .
The eligible cost is the price charged to the beneficiary (usually containing a profit margin for the supplier or subcontractors, but not for the beneficiary).	The eligible costs are only the costs of the affiliated entity, no profit is allowed (neither for the affiliated entity, nor for the beneficiary).
The beneficiary must award the contracts and subcontracts on the basis of best value for money (or lowest price) and absence of conflict of interests.	

# Avoiding errors in costs eligibility



## Third parties giving in-kind contributions

- ✓ In-kind contributions against payment and in-kind contributions free of charge are **both still eligible** under Horizon Europe
- ✓ However, under HE, **in-kind contributions** refers only to in-kind contributions free of charge

### IN-KIND CONTRIBUTIONS AGAINST PAYMENT

- **No** more **specific** Article
- Instead, they can **still be declared** as:
  - Personnel costs for seconded persons (Art. 6.2.A.3)
  - Costs of renting equipment (Art. 6.2.C.2)
  - Purchase costs for other goods, works or services (Art. 6.2.C.3)
- Indirect costs calculated on top via the 25% flat-rate

### IN-KIND CONTRIBUTIONS FREE OF CHARGE

- **Specific provisions (Article 6.1 and 9.2 HE MGA)** (stemming from Horizon Europe specific legal base)
- They must be declared by the beneficiary which use them under the relevant cost category (i.e. as if they were costs incurred by the beneficiary).
- Only **direct costs** must be reported
- **No more reference** to in-kind contributions not used in the beneficiary's premises
- Indirect costs calculated on top via the 25% flat-rate (with exceptions, like for internal invoicing)

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# Amendments



# Key features

## LEGAL BASIS: ARTICLE 39 HE MGA



### WHAT

- The Grant Agreement (e.g. data or options specific to that agreement) or its annexes
- Substantive/important changes (changes that affect the description of the action)
- Project specific data (e.g. duration of reporting periods)



### WHAT NOT

- No changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- No changes that are not in line with the rules applicable to the Grant Agreement (including applicable EU, international and national law)



### WHO

Amendments can be requested by any of the parties:

- The consortium participants together, but only the Coordinator can launch, sign and submit them;
- The granting authority

# Conditions

Amendments may **NOT** result in changes that – if known before awarding the grant — would have **had an impact on the decision to award it.**

Those are mostly changes that:

- ✓ may have had an impact on the assessment of the applicant with regard to the **eligibility and selection criteria** → (e.g. minimum consortium requirements or types of participants in a proposal)
- ✓ breach the principle of **equal treatment of applicants**
- ✓ involve changes in the action and/or budget which may have affected the assessment with regard to the **award criteria** established in the call
- ✓ do not comply with the **applicable rules** for (HE Regulation, Financial Regulation or provisions of the grant agreement)

# Justification



The request for amendment must include:

- the reasons why
- the appropriate supporting documents

*The granting authority  
may request additional  
information if needed*



**Specific case – Change of coordinator without its agreement**: also proof of the consortium decision to change the Coordinator, to nominate another beneficiary to act on their behalf AND the opinion of the changed Coordinator (or at least proof that the opinion was requested) — otherwise the termination will be considered improper.

# Entry into force & taking effect

## An amendment:

- **enters into force** on the day the granting authority signs it
- **takes effect** (i.e. the changes to the Grant Agreement start to apply):
  - either on a specific date specified in the amendment;
  - or on the date of entry into force (last signature = signature by the granting authority).



Depending on the nature of the amendment, the date on which it takes effect may affect the eligibility of costs (*e.g. if a Beneficiary is added, costs are eligible from the accession date specified in the Accession Form*)

# When?



## Amendments are necessary for:

- **Beneficiaries/affiliated entities changes** (e.g. addition/termination/partial takeover)
- **Coordinator changes** (change of coordinator; change of the bank account the coordinator uses for payments)
  - *NO amendment is necessary for a change of the name of the bank or name of the account holder; a change of the bank account data (and validation) in the Portal Participant Register is sufficient.*
- Changes to **Annex 1 - Description of the action** (significant change of the action tasks, e.g. if tasks are added/removed) or of their division among the beneficiaries)
  - Significant changes to the action may put into question the decision to award the grant. The granting authority will assess on a **case-by-case** basis whether such changes are permissible
- Change of **project schedule**: the starting date, project duration or reporting periods
- Changes related to **subcontract or in-kind contributions** - in principle could be also made via **simplified approval procedure** however, if the beneficiary bears the risk of rejection

# When not?



Amendments are NOT necessary for:

- **Budget transfers** covered by the **budget flexibility (Article 5.5 HE MGA)**
  - 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
  - **Example:** An SME joins an on-going GA. The SME owner does not have a salary but incorrectly budgets its costs as actual personnel costs (category A.1). The owner realises the mistake and then switches to the unit costs for SME owners (category A.4); which is allowed in the Grant Agreement.
- **Participant legal data: name or address changes of a participant** — done directly in the Participant Register
- **Universal takeovers** (merger/acquisition) of a participant — done directly in the Participant Register
- **Changes** in the **bank's name** or **branch address**, or in the name of the bank account holder — done directly in the Participant Register



**Information obligation:** Changes may or may not require an amendment, but they ALL trigger the information obligation under Article 19.3 HE MGA

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# Non-financial obligations



# Non-financial obligations



## Proper implementation of the action

Article 11 of MGA

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement, the call conditions and all legal obligations under applicable EU, international and national law.



## Security

Article 13 MGA and Annex 5 specific rules

The parties must keep confidential any data, documents or other material (in any form) that is identified as sensitive in writing ('sensitive information') — during the implementation of the action and for at least until the time-limit set out in the Data Sheet + Classified information.



## Ethics & research integrity

Article 14.1 MGA (Annex 5)

The action must be carried out in line with the highest ethical standards and the applicable EU, international and national law on ethical principles.

The beneficiaries must commit to and ensure the respect of basic EU values (such as respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of minorities).



## Gender Balance

Article 14.2 (annex 5)

The beneficiaries must take all measures to promote equal opportunities between men and women in the implementation of the action and, where applicable, in line with the gender equality plan.

# Non-financial obligations



## **IPR – protection, exploitation and dissemination of results** (Annex 5) Article 16 and 17 of MGA

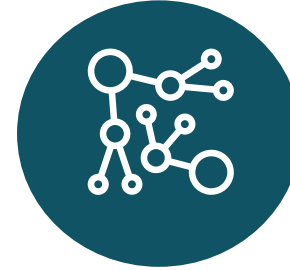
Obligation to protect, exploit and disseminate the results in line with plan for the exploitation and dissemination of the results.



## **Right to object** Article 16.4 MGA (Annex 5)

The granting authority may object to a transfer of ownership or the exclusive licensing of results, if:

- the beneficiaries which generated the results have received funding under the grant,
- it is to a legal entity established in a non-EU country not associated with Horizon Europe, and
- the granting authority considers that the transfer or licence is not in line with EU interests.



## **Open access** Article 17.4 MGA (Annex 5)

Beneficiaries must ensure open access to scientific publications and open access to research data.



## **Public emergency** Article 16 MGA and Annex 5 specific rules

The beneficiaries must (if requested by the granting authority) grant for a limited period of time specified in the request, non-exclusive licenses — under fair and reasonable conditions — to their results to legal entities that need the results to address the public emergency.

**+ other specific obligations stemming from specific MGA**

DISCLAIMER: INFORMATION NOT LEGALLY BINDING

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# Guidance Documents on Horizon Europe





# Guidance

## Funding & tender opportunities

Single Electronic Data Interchange Area (SEDIA)



- MEMBERS
- HOW TO PARTICIPATE**
- PROJECTS & RESULTS
- WORK AS AN EXPERT
- SUPPORT

### Procurement

Reference Documents related to tendering opportunities are published on 1

Filter

- Legislation
- Work programme & call documents
- Grant agreements and contracts
  - HE MGA v1.1**
  - HE Unit MGA v1.1
  - Lump Sum MGA v1.0
  - Operating Grants MGA v1.0
  - Framework Partnership Agreement FPA v1.0

### Guidance

- HE Programme Guide
- HE List of eligible countries
- HE Complementary funding mechanisms in third countries
- Online Manual
- Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment
- Amendment Guide
- AGA- Annotated Grant Agreement**
- Indicative Audit Programme (IAP)
- Rules for Grant Reductions
- Rules for Arbitration



# Looking for more information?



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

➤ [Horizon Europe reference documents page](#)

➤ [National Contact Points](#)

➤ [Research Enquiry Service](#)



- Please select
- 01 Obtaining funding under Horizon Europe
  - 02 Info on Horizon Europe (NCPs legal docs guides forms)
  - 03 Proposal submission and evaluation
  - 04 Grant Agreement preparation and signature
  - 05 Info about on-going Horizon Europe projects
  - 06 Horizon Europe Policy issues
  - 07 European Research Policy and non Horizon Europe issues
  - 08 Publications / reports of funded projects
  - 09 Certification and audit matters
  - 10 Legal and financial issues**
  - 11 Gender equality
  - 12 Expert evaluators
  - 13 Ethics
  - 14 Communication
  - 15 Participant registration, legal and financial validation, LEAR
  - 16 Previous framework programmes
  - 17 H2020 & Horizon Europe: Report a divergence of implementation in different grants
  - 99 Request for clarification

Please select





# Thank you!

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