

# Mastering Horizon Europe Projects: Simplification, Management and Controls

Prague, 15 June 2026

## Questions and Answers from the Discussion with the European Commission

*The answers were prepared by the National Contact Points at TC Prague based on the discussions held during the event and subsequently reviewed by the participating representatives of the European Commission. The document reflects the understanding of the topics discussed at the time of the event and should not be considered a legally binding interpretation of Horizon Europe rules.*

The presentations from the event, together with additional information, are available on the [event webpage](#).

### Lump Sum

**Q1:** What is the difference between what is assessed during project reviews and what is examined in ex post technical audits? If all deliverables are approved and the project successfully passes the review, which aspects can still be questioned later during an ex post technical audit? What is checked in the case of a publication?

**Answer:** *With an ex-post technical review, the EC focuses on the work of a single participant, for which lump sum contributions were paid at the end of a specific reporting period, and checks whether beneficiaries really did the work they said they did. An ex-post technical review can go into more detail than a project review, but it will never check financial documents. Beneficiaries must be able to prove proper implementation (i.e. that the work was done).*

*In many ways, it is like obtaining a second opinion, but it also involves checking the relevant documentation to confirm that the work was actually completed.*

*The important issue is for the reviewee to demonstrate that the work reported and set out in the grant agreement has been done. The precise kind of documentation will depend on the type of research and innovation funded but is the same technical documentation that is required for all grants (e.g. publications, lab books, prototypes, proceedings in conferences, and other supporting documents).*

*If needed, ex-post technical reviews may include interviews with participant contacts and, if applicable, key researchers involved in the projects, and may include on-site visits to cover aspects that cannot be verified remotely.*

*In the specific case of a reported publication, the expert undertaking the review may check whether the publication really exists and that the authors' names include the participant organisation under review.*

*A lessons learned exercise monitoring practical experience with technical audits will soon be carried out and any changes made to the process as a result will be communicated to beneficiaries.*

**Q2:** How can you prove in lump sum project work on project/work package when you are in humanities and do not have any lab logbooks or similar? Is it still time recording?

**Answer:** *You need to present some proof that the activities in Annex 1 of the grant agreement have been carried out by the beneficiary. In a research area where lab books are not relevant, other evidence that the work reported has been done can be provided, such as emails between team members working on the project, minutes of project meetings etc. This is the same technical documentation that is required for all grants.*

**Q3:** What the European Court of Auditors controls concerning lump sum grants?

*The European Court of Auditors may do whatever they deem necessary to check the proper implementation of the project. For example, they may double-check whether the WPs were completed as declared and paid, or that the original lump sum budget as evaluated was justified. The EC does not expect that the European Court of Auditors will check financial documents.*

**Q4:** Costs actually incurred are not relevant. Who does the work still is. This refers to institutions, not individual staff? No proof of the assignment of individual staff to the action is needed (such as timesheets or an indication in the employment contract). Correct? Only completed work and activities.

**Answer:** *Yes, the costs are not checked before payment of a work package. What is checked is whether the activities have been fully completed.*

**Q5:** In lump sum projects, does personnel effort need to follow the timing of work packages, or can it be distributed evenly across the project duration?

**Answer:** *At the proposal stage, in their detailed budget applicants must provide estimated person-months and budget for each work package. Once the lump sum grant is signed, EC does not check the staff effort but instead checks whether the essential work has been completed.*

*Ex-post technical reviews only look at the actual WP(s) that triggered the payment and checks that the beneficiary performed the work as reported for this WP.*

*Personnel costs and their actual spending are not checked. Budgetary flexibility is possible.*

**Q6:** To what extent are the numbers of person-months allocated to individual work packages in a lump sum project proposal considered binding? Can a work package be closed even if the allocated person-months have not been fully used, and conversely, is any overrun of person-months on a work package monitored or challenged in any way?

**Answer:** *During the project implementation, the EC checks the proper implementation of the grant, i.e. that the work was done. EC does not care about actual person-months incurred.*

*Person-months are only used in the proposal phase to establish the accurate amount of work and personnel costs, and thereby justify that aspect of the lump sum budget for the grant.*

**Q7:** Lump Sum proposal: Table 3.1 h Purchase costs only need to be completed if Equipment exceeds 15% of personnel costs. Applicants should explain Purchase costs in the “Any Comments” tab in Excel. What level of detail is required (all Purchase costs or only the amount exceeding 15%)?

**Answer:** *Applicants do not need to explain every detail in the budget table but should use the ‘any comments’ section to explain and justify cases where they aim to do something unusual or different (e.g. unusually high costs). In principle, in the case of purchase costs, applicants should focus on explaining why they exceed 15% of personnel costs. In general, applicants should be careful to explain and justify any unusually high cost (e.g. costly travel outside the EU if the necessity of this is not evident in the proposal) as well as personnel costs that are above the 80th percentile in the Personnel Costs Dashboard.*

**Q8:** In Horizon Europe lump sum Innovation Actions with a 70% funding rate, does the EC verify during implementation or ex-post technical audit whether beneficiaries actually co-financed the remaining 30% of the underlying costs?

**Answer:** *When applicants make their proposal, the evaluators assess carefully whether the whole budget is well designed and justified. If the project budget was well designed, it should not be possible to complete the activities in the grant agreement with 30% less budget.*

*During implementation, the EC checks whether the work has been done but does not check any budgetary aspects. The same is the case for ex-post technical reviews.*

*Of course, if there are findings following an ex-post technical review (e.g. evidence that work packages were completed to a lower degree than what was paid) this may lead to a grant reduction/recovery of funds.*

**Q9:** There's an exchange loss/gain in the lump sum project when the 70% of grant is transferred in national currency. Is the grant recorded in the amount received? Which amount in national currency is used for “advance” accounting of the 30%; the originally approved or the one converted at the time of the transfer?

**Answer:** *For all grants, the EC uses euro. The maximum grant amount in the GA will be in euro, and all the payments will be made in euro. There is no difference in this respect whether using actual costs or lump sums.*

**Q10:** What is the first experience with an online budget table (not Excel)? Will it influence the future use of it? Our experience is not good.

**Answer:** *The integration of the Horizon Europe detailed lump sum budget table in the online submission system (Part A forms) is ongoing. A pilot that started in December 2025 in Cluster 5, and the EC is planning to roll this tool out to all Horizon Europe lump sum calls by end of 2026.*

*The EC acknowledges that there have been some technical problems with the first release of the budget tool. However, it is carefully monitoring this implementation and working to resolve the issues that were reported to provide a smooth user-experience from now on.*

*The EC will also collect structured feedback on the users' experience with the online detailed lump sum budget table later on in the process for further improvements.*

*Phasing out the Excel template used so far is a complex, but necessary development to improve the submission process in the long term. This will avoid double entry of data and related discrepancies, issues with macros and compatibility.*

**Q11:** Is it possible to view or test the online lump sum budget table integrated into the Portal before preparing the proposal? We've been advised to complete the Excel budget table first to avoid overwriting, but we understood the Portal table was meant to replace the Excel file. What is your view on this approach?

**Answer:** *No online testing version is available. The only way to test it is to start a draft proposal.*

*During the transition phase, it will be clear in the submission system whether an Excel file or the new integrated version should be used – it is never possible to use both.*

*Whether applicants want to use an offline Excel file as a working version while they are preparing a proposal or not is something each consortium will have to weigh up individually.*

**Q12:** Splitting work packages in lump sum grants: Can you explain when it does and does not make sense to split work packages in the context of project cash flow? It seems that splitting work packages brings limited benefit in projects with 80% pre-financing.

**Answer:** *Payments and prefinancing work same as in a grant based on actual cost. In many cases (especially where the pre-financing is high), there may be little benefit in splitting work packages.*

*In any case, applicants for lump sum grants are advised only to split work packages if this will improve their cash flow.*

**Q13:** Is there an indicative threshold for budget reallocation between work packages or partners that does not trigger a formal amendment request? Or is this entirely at the discretion of the project officer?

**Answer:** *There is no official threshold. Individual cases should be checked/consulted with the Project Officer.*

*In lump sum actions, the grant agreement sets out a breakdown of the lump sum, per work package and per beneficiary (and affiliated entity if any) following the costs estimations provided at proposal stage in the detailed budget table. Payment of lump sum shares is made according to completed work packages, regardless of which beneficiary has incurred which actual costs.*

*So, budget flexibility as understood for an actual cost grant context is not relevant or applicable in a lump sum grant. There is inherent flexibility for the consortium. In that respect, the consortium is free to spend the lump sum as they see fit, provided the project is carried out as described in the grant agreement.*

*There is therefore no obligation to make an amendment to reflect the actual distribution of the lump sum shares that are fixed in Annex 2 of the lump sum grant agreement.*

*However, for the purposes of management of the grant, the granting authority will assume distribution in accordance with the lump sum budget table (e.g. for partial work package completion, grant reductions, offsetting of debts from other grants). Therefore, formalising changes to the budget via an amendment may be in the interest of the consortium, for example, to ensure that the financial liability follows the actual distribution of the lump sum shares among the partners.*

*It is also important to remember that lump sum work packages that have already been declared completed and paid cannot be amended.*

**Q14:** How will the introduction of lump sum projects practically impact the work of coordinators and project managers?

**Answer:** *EC regularly monitors questions that come to Research Enquiry Service and receives feedback from the National Contact Points, but they are not aware in detail of the work of project managers and coordinators across the whole programme.*

*At the same time, the EC regularly surveys lump sum applicants and beneficiaries – and there is overall high satisfaction with the way that lump sums reduce the administrative burden.*

*Lump sum beneficiaries including project coordinators are also invited to share their experience at the webinars the EC organises several times per year (recordings are available on the Funding & Tenders Portal).*

**Q15:** Dashboard for lump sum: How should partners respond when a coordinator insists on keeping personnel costs within the dashboard limits, even though realistically expected personnel costs are higher? How can higher personnel costs be justified in the proposal? Examples would be appreciated.

**Answer:** *EC cannot control what the coordinator does.*

*However, on the [landing page](#) of the Dashboard, clear instructions are provided that experts should not reject monthly personnel costs only because they are over the 80th percentile, as long as they are convincingly justified in the “any comments” section. Examples of why personnel costs might be higher include the need for highly qualified or senior staff, significant recent increases in personnel costs, the research discipline, etc. The tutorial video on that page may also provide useful information and examples.*

**Q16:** Some institutions report that in ongoing lump sum projects Project Officers have requested a reorganisation of the budget across work packages after the initial reporting stages. Is this an established practice, and what are the conditions and limits for such changes?

**Answer:** *This is not established practice.*

*In general, there is a great flexibility concerning the budget spending. If there is a substantial budget deviation, the beneficiaries might want to request an amendment to formalise this. (See question 13 above for more details.)*

**Q17:** If all project outputs and deliverables are successfully completed, but part of the lump sum budget remains unspent, can the remaining funds be transferred to the institution's general account and used for purposes unrelated to the project?

**Answer:** *At the project implementation level, the financial spending is NOT checked by the EC.*

*When applicants make their proposal, the evaluators assess carefully whether the whole budget is well designed and justified. If the project budget was well designed, it is unlikely that much of the lump sum budget will remain unspent after the proper implementation of the activities set out in the grant agreement.*

**Note:** *TC Prague has issued opinion of an auditor concerning this question, which is available on the [website](#).*

**Q18:** Are there differences between ERC lump sum (AdG) and other lump sum schemes (RIA, IA, CSA)?

**Answer:** *The main differences are related to the nature of the ERC grants (e.g. single reporting period) and there is also a different personnel costs dashboard. The ERC has its own Personnel Costs Dashboard based on ERC personnel costs data.*

**Q19:** Regarding the depreciation costs in lump sum projects, can equipment be assigned to more than one work package if it is used across several work packages? If yes, should the depreciation costs be allocated between them (and how) or is depreciation costs to be allocated to work package where equipment was purchased/first used?

**Answer:** *Yes, the depreciation costs for equipment can be assigned to more than one work package. It is possible to assigning it to one or more work packages (i.e. both the options outlined in the question are acceptable). The proposal just needs to mention clearly which approach it has used.*

### **Actual Cost Grants and Financial Audits**

**Q20:** Financial audit: Are financial audits conducted in English? Does the recipient have the right to have them in Czech? Is the auditor required to have an interpreter, or is the recipient obligated to arrange this at its own expense (e.g., communication with the accounting department in English may not always be possible)?

**Answer:** *Audits are carried out in the language of the Grant Agreement (typically English). However, supporting documentation may be in the original language, such as Czech. At the same time, there is a usual practice to send an auditor familiar with legal obligations in the country of the audited institution. Often auditors who speak the national language are coming.*

**Q21:** Financial audit: Should all potential findings be discussed (or at least mentioned) during the closing meeting, so that there are no surprises for the recipient afterward (when DAR and FAR are issued)? Right?

**Answer:** *All the preliminary findings known at that time are discussed during the closing meeting. But there can be surprises, especially in case information is provided late (or even after the on-site audit) and cannot be reviewed until the end of the on-site audit. The minutes of the closing meeting are normally not shared with the beneficiary.*

**Q22:** Financial audit: It seems that the requested Annex III (Excel) still very much reflect H2020. Do you plan to update it and publish on FTOP? When?

**Answer:** *Annex III is available on Funding and Tenders Portal, it should fully reflect the Horizon Europe rules.*

**Q23:** Financial audit: Is it possible to request a change in the date for the on-site audit (compared to the proposed dates)? By how much, and how (via the portal, by email, etc.)?

**Answer:** *The date in the letter of announcement is indicative. The date can be amended, in this case please contact the auditors in charge. The Letter of Announcement explains how the auditors can be contacted*

- *For audits carried out by the Common Audit Service of the Commission, use the contact details mentioned in that letter.*
- *For audits carried out by an External Audit Firm, please contact them via your Funding and Tenders Portal account.*

**Q24:** Financial audit: What materials need to be submitted online in advance for an on-site audit? Where should they be uploaded - to Funding and Tenders Portal or to the auditors' dedicated portals?

**Answer:** *Annex I of the letter of announcement lists all the information that needs to be provided/uploaded in the Funding and Tenders Portal. External audit firms can also ask beneficiaries to upload documents to their own internal portals.*

**Q25:** Financial audit: Could you describe what is controlled during audit in section Internally goods and services (D.5)?

**Answer:** *As the scope of this cost category is very broad, the information requested depends on the type of costs claimed. Depending on the nature of the costs claimed, the checks may involve:*

*How the beneficiary established the unit costs, and whether this is in accordance with their usual accounting practices; Whether actual costs recorded in the beneficiary's accounts are used to establish the unit costs; Whether costs are attributed by direct measurement or on the basis of cost drivers; Whether ineligible costs were removed from the unit cost calculation; Internal invoices or similar documents supporting the amounts declared; The number of units consumed for the project, how they are measured, and the unit of measurement; Proof that the cost is always the same regardless of the source of funding; Potential double funding (e.g. costs included in the unit cost calculation and also declared in other cost categories).*

*Price lists are not sufficient (can only be seen as a starting point, but the beneficiary needs to demonstrate how they established the price and that the price complies with the rules of the Grant Agreement).*

**Q26:** Financial audit: What is meant by the common error regarding same-day signatures? Is it incorrect for the employer and the supervisor to sign the timesheet on the same day of the month? Since they both work in the same department, it's not unlikely for them to sign it on the same day.

**Answer:** *It is fine if employee and supervisor sign on the same day. It is not ok e.g. that all timesheets of the year are signed on the same day.*

**Q27:** Financial audit: if the Description of the Action foresees 52 PM, but the work can be successfully completed with only 45PM, would this be considered acceptable (i.e.

within the 20% deviation), or could the EC view it as an issue despite all tasks and deliverables being completed as planned?

**Answer:** *Audits cover only costs declared in the financial statements (not the deviation vs. the costs foreseen in the Grant Agreement).*

**Q28:** Actual Cost Grants: How does the EC view significant differences in personnel costs and person-month valuations among consortium partners? Could lower costs for some partners be problematic for proposal evaluation or project implementation?

**Answer:** *At the proposal stage, differences in personnel costs or person-month rates between consortium partners are not, in themselves, an issue for the EC. Evaluators assess whether the resources allocated to the project are appropriate and justified for the work to be carried out, rather than comparing personnel costs across beneficiaries.*

*During project implementation, in the context of the periodic reporting, the use of resources and personnel costs are assessed on a case-by-case basis. Significant deviations in the planned use of person-months or personnel costs require an explanation in the periodic report and should be discussed with the Project Officer where relevant.*

*There is no specific threshold for acceptable deviations in person-months and in personnel costs. Any assessment is made in the context of the work performed and based on the justification provided in the periodic report.*

**Q29:** What details about transfers between budget categories are necessary for the financial report? What amount is considered relevant?

**Answer:** *The details to be included depend on a case-by-case. At the time of reporting beneficiaries should include the explanations related to budget transfers that they believe appropriate. There is no specific amount or threshold that is considered relevant to require an explanation. However, if at the time of reporting the amount for subcontracting costs increases significantly (for example, tenfold), while the amount of personnel costs decreases, this will raise questions and need to be properly justified, so that the Project Officer can assess the situation.*

**Q30:** Actual Cost Grants: Could you please advise on how exchange rate differences (e.g. in travel expenses) should be handled if they are identified after the closure of a financial reporting period? Should an adjustment be made even in cases where the amount involved is as small as approximately EUR 1?

**Answer:** *If the project is still running, you are free to submit an adjustment Financial Statement during the next Periodic Reporting. This is however not obligatory, and in case of differences of 1 EUR this will have no impact in case of a Financial Audit.*

**Q31:** Time sheets: must there be a breakdown of hours per individual work packages or is it sufficient to put total number of hours devoted to project that respective month and mention a list of work packages for which the work was performed?

**Answer:** *Just a plain reference to work package in timesheets/time declaration is enough. Later on the breakdown of person-months per reporting period is necessary for the justification of use of resources.*

## **Project management**

**Q32:** The number of calls within HE is large, and it is often challenging for researchers to identify relevant opportunities. Is there any structured or recommended approach (tools, services, or platforms) that can help researchers navigate and identify calls that are most relevant to their expertise?

**Answer:** *Use keywords associated with your research area and words, which non-experts might associate with the area, in the Funding and Tenders Portal. Contact your NCPs.*

**Q33:** AI is changing the way proposals are written, while the number of submissions continues to grow. How does the EC plan to address this trend? Is the EC considering setting up a team/unit to test new funding approaches and ideas? And does the EC foresee a greater use of AI in proposal evaluation?

**Answer:** *The situation is constantly evolving and the EC is monitoring developments. This includes a dramatic increase in the number of proposals (especially in ERC and MSCA), which might be due to generative AI.*

*To help deal with oversubscription, EC is looking at the possibility of testing partial randomization.*

*Proposal evaluation: The EC believes in evaluation by human experts. The EC is collecting ideas on how to use AI, but currently there is no concrete plan to use AI more in evaluation.*

**Q34:** Extension of a project: what is the policy on no-cost extensions of a project? It seems that it is almost impossible to get it, while it would very much increase the impacts of the EU granted money with no additional costs.

**Answer:** *There is no policy on amendments for no-cost extension, amendments are discussed case by case. There also should not be any special policy on the agencies level.*