Horizon Europe: Proposal Writing Camp Session 5

International Service Facility of the EC
SESSION 5: Financial and Legal Issues

• Registration (PIC Code)
• Eligible cost & Funding Rates

• Q&A
What is a PIC code?

- A Participant Identification Code is a unique 9-digit identifier for the European Commission to confirm your organisation’s details.

- Before registering it is recommended that you confirm your organisation does not already have a PIC code. In order to do so, follow the link below: http://ec.europa.eu/research/participants/portal/desktop/en/organisations/registrer.html
BUDGET PREPARATION

Eligible Costs & Funding Rates
Eligible for funding are legal entities established in:

- Member States
- Associated Countries
- Countries listed in Annex 1 of the Work Programme

Legal entities established in other Countries may be funded when:

- Agreement exists between 2 funding bodies
- Provision made in the call text
- Commission deems participation essential for carrying out the action
What funding rate applies?

- 100% for Research and Innovation Actions (RIA)
- 70% for Innovation/close-to-market Innovation Actions (IA) for for-profit organisations
  - 100% for non-for-profit entities (Universities, etc.)
- Indirect costs: 25% flat-rate
- Audit threshold: 430 000 euro
- Fixed Unit cost rates cover researcher costs and institutional costs (Marie Skłodowska Curie Actions)
- Audit threshold: 430 000 euro
A. PERSONNEL COSTS
- A.1 Employees
- A.2 Natural persons under direct contract
- A.3 Seconded persons
- A.4 SME owners and natural person beneficiaries

B. SUBCONTRACTING COSTS

C. PURCHASE COSTS
- C.1 Travel and subsistence
- C.2 Equipment
- C.3 Other goods, works and services

D. OTHER COST CATEGORIES
- D.1 Financial support to third parties
- D.2 Internally invoiced goods and services
- [D.3 Transnational access to research infrastructure unit costs]
- [D.4 Virtual access to research infrastructure unit costs]
- [D.5 PCP/PPI procurement cost]
- [D.6 Euratom Cofund staff mobility costs]
- [D.7 ERC additional funding]
- [D.8 ERC additional funding (subcontracting, FSTP and internally invoiced goods and services)]

E. INDIRECT COSTS 25% FLAT RATE
Direct costs

= directly linked to the implementation of the action

Examples:

✓ Personnel costs
✓ Subcontracting
✓ Purchase costs (Travel, equipment, other goods, works and services)
✓ Other cost categories
**Indirect costs**

= not directly linked to the action

Examples:

✓ Rents, electricity, heating, office equipment, furniture, phone costs, postage, printing and copy costs, administrative costs

✓ Paid as a 25% as flat rate of the direct eligible costs (except e.g. subcontracts!)
Budgeting a proposal — Collaborative research
How to budget a proposal?

Calculate your costs on a realistic and reasonable basis, as you expect it to appear and to be eligible in the action.

✓ Budget should be calculated according to the action needs
✓ Demonstrates a clear vision of objectives and tasks in an action
✓ Minimises potential changes during the runtime of an action

Appropriate budget estimation and distribution is part of the evaluation!
Direct costs are eligible if...

- **Actually** incurred by the beneficiary during the life of the action (with a few exceptions)
- Indicated in the estimated **budget**
- In **connection** with the action as described in the action description and necessary for its implementation
- **Identifiable** and verifiable, in particular recorded in the beneficiary’s accounts
- In compliance with applicable **national law** on taxes, labour and social security
- **Reasonable**, justified and must comply with the principle of sound financial management
- Evaluators will approve the necessity for the activity and the related costs
Proposal: Budget Plan
Cost categories have separate columns

<table>
<thead>
<tr>
<th>No</th>
<th>Participant name</th>
<th>Country</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Participant 1</td>
<td>NL</td>
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### Cost categories – Application form

<table>
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<tr>
<th>No</th>
<th>Participant name</th>
<th>Country</th>
<th>D.1: Financial support to third parties</th>
<th>D.2: Internally involved goods and services</th>
<th>D.3: Transnational access to research infrastructure</th>
<th>D.4: Virtual access to research infrastructure</th>
<th>D.5: Procurement and IP costs</th>
<th>D.6: Euratom staff mobility costs</th>
<th>D.7: ERC additional funding</th>
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Key messages

• Information source: NCP, Annotated Grant agreement (online…)

• Costs must be incurred during the project by the beneficiary and be identifiable and verifiable in the accounts to be eligible

• The work that you performed should be described in the work packages of the proposal

• Indirect costs – a 25% fixed flat-rate of the eligible direct costs (minus certain direct eligible costs)

• Income of projects should be considered at the proposal stage
Thank you!

#HorizonEU

http://ec.europa.eu/horizon-europe