



#HorizonEU

HORIZON EUROPE

THE EU
RESEARCH & INNOVATION
PROGRAMME

2021 – 2027

THE RULES OF THE GAME
FOR RUNNING MY GRANT

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25 September 2025

Research
and
Innovation

THE RULES OF THE GAME



Model Grant Agreement

Participation of Hungarian entities

Focus on personnel costs



Types of participants

Types of costs

Q&A

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The Model Grant Agreement



What is the grant agreement and why do I need it?



Contractual document signed with a 'granting authority' (e.g. *the Commission or one of its executive agencies*) that defines:



YOUR RIGHTS, e.g.

- **To receive EU funding** under the terms and conditions defined in the GA
- **To own the results** of the project that you have generated
- **To ask for amendments** if needed



YOUR OBLIGATIONS e.g.

- **To implement the project** as described in **Annex 1** to the grant agreement
- **To submit reports** as defined in the grant agreement
- **To display the EU emblem and reference to Horizon Europe funding**



HOW MUCH MONEY YOU CAN GET

Maximum grant amount

Key features



e-GRANT

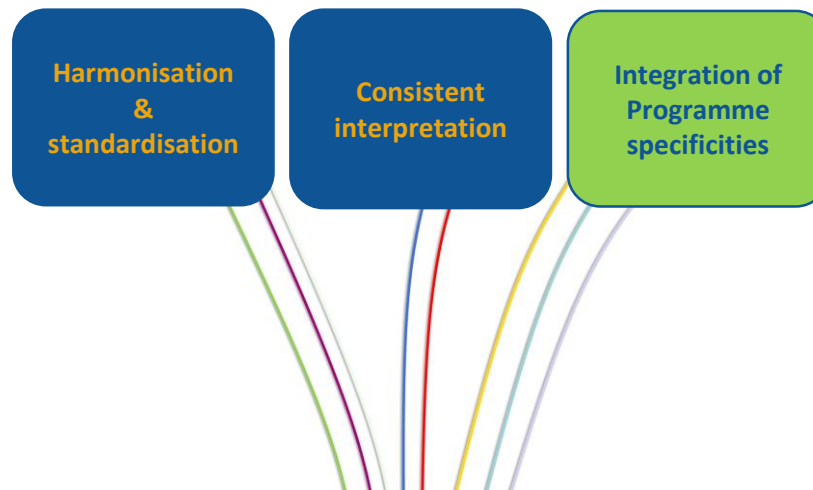
- Fully electronic
- Funding & Tenders Portal ('the Portal')



CORPORATE STRUCTURE

Based on a **Commission-wide model**

→ '**Corporate** Model Grant Agreement'



SPECIFIC ANNEX 5

Some important **HE specific** rights and obligations like:

- Security
- Ethics
- Values (i.e. gender)
- IPR
- Communication, Dissemination, Open Science and Visibility
- Specific rules for carrying out the action

Structure of the HE MGA



Core
Part

Datasheet

a summary of the specific data of the grant agreement

NEW!

Articles

grouped in six chapters

1. General Data
2. Participants
3. Grant
4. Reporting, payment and recoveries
5. Consequences of non-compliance, applicable law and dispute settlement forum
6. Specific rules Annex 5 & Standard time-limits after project end

Chapter 1 – General (Articles 1-2)

Chapter 2 – Action (Articles 3-4)

Chapter 3 – Grant (Articles 5-6)

Chapter 4 – Grant Implementation (Articles 7-26)

Chapter 5 – Consequences of non-compliance (Articles 27-35)

Chapter 6 – Final provisions (Articles 36-44)

Structure of the HE MGA



Annexes

Annex 1 Description of the action

Annex 2 Estimated budget

Annex 3 Accession forms for beneficiaries

Annex 4 Model for the financial statement

Annex 5 - Specific rules (for Horizon Europe)

Security (Article 13)

Ethics (i.e. research integrity) (Article 14)

Values (i.e. gender mainstreaming) (Article 14)

IPR (Article 16)

Communication, Dissemination, Open Science and Visibility (Article 17)

Specific rules for carrying out the action (Article 18)

recruitment and working conditions,

specific rules for access to research infrastructure actions,

specific rules for PCP and PPI procurements,

specific rules for co-funded partnerships,

specific rules for ERC actions,

specific rules for EIT-KIC actions,

specific rules for MSCA actions

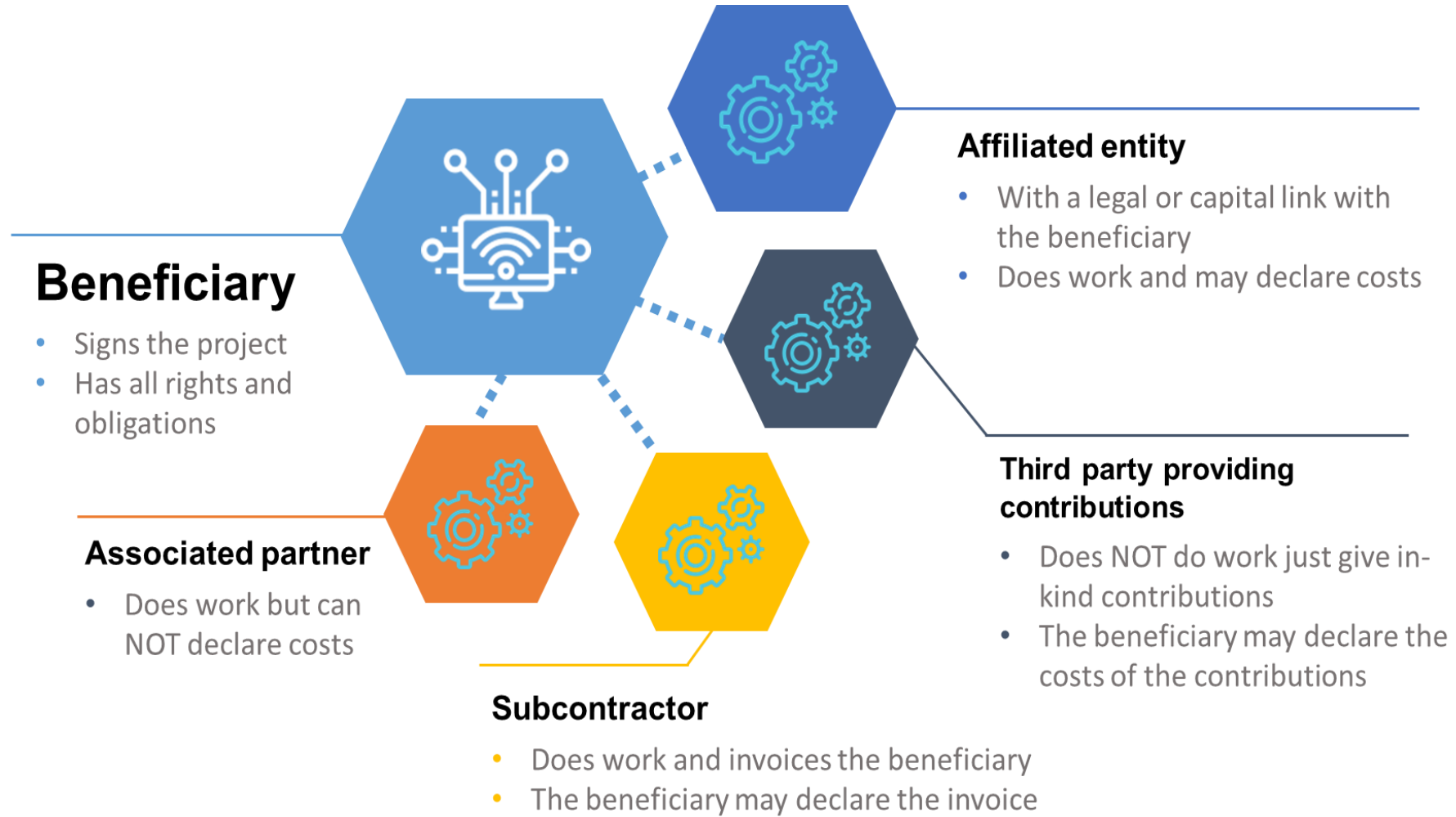
specific rules for EIC actions

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Participants in the action



Overview of key participants



Beneficiaries



BENEFICIARIES



COORDINATOR

- Article 7 HE MGA
 - **Signatories** --> **Accession form**
 - **Fully responsible** towards the granting authority for implementing the action and complying with all its obligation
 - Jointly responsible for the **technical implementation**
 - Must have the **appropriate resources**
 - Must remain **eligible** under HE for the entire duration
 - **Obligations:**
 - ❖ submit to the coordinator in good time: financial statements, technical reports, deliverables
 - ❖ inform the granting authority (and beneficiaries) of any events likely to affect or delay the action
 - ❖ submit via the Portal data and information related to the participation of their affiliated entities
- **Directly sign** the Grant Agreement
 - Central **contact point** for the granting authority
 - **Represents** the consortium (towards the granting authority)
 - *For mono-beneficiary grants --> also coordinator role*
 - **Obligations**
 - ❖ **monitor** that the action is implemented properly
 - act as **intermediary** for all communications:
 - E.g. request and review any documents before passing them to the granting authority
 - ❖ **distribute** the payments received from the GA to the other beneficiaries without unjustified delay

Affiliated entities



- permanent legal structures
- contractual cooperation not limited to the action
- capital link:
 - i. direct or indirect control of the beneficiary
 - ii. under the same control as the beneficiary
 - iii. controlling the beneficiary

- Article 8 HE MGA
- Features:
 - ❖ Must have a **legal or capital link** with the beneficiary, which is **neither limited to the action nor established for the sole purpose of its implementation**
 - ❖ Does work
 - ❖ Can declare costs for implementing the action tasks
- Must be identified in Article 8, their tasks must be mentioned in Annex 1 and their budget in Annex 2
 - *But do not sign the Grant Agreement!*
- Same conditions for participation and funding as beneficiaries
- They are therefore de facto treated like beneficiaries (*have their own financial statement, must provide their own CFS, must contribute to the technical report, must submit deliverables, etc*).

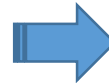


Associated partners

- Article 9.1 HE MGA
- Must be identified in Article 9.1, their tasks must be mentioned in Annex 1 BUT --> do not sign the grant agreement

- Features:

- ❖ Does work but **cannot** declare costs
- ❖ Participate at its own costs
- ❖ It can be linked:
 - either to one beneficiary
 - or with the whole consortium





Beneficiaries are responsible for the proper implementation of the tasks implemented by associated partners

- Do NOT have to comply with eligibility conditions for funding
- The **beneficiaries** must ensure that some of **MGA obligations also apply**

!
Consortium agreement

Subcontractors




- **Do work** > Participate in the action, if necessary for the implementation → Articles 6.2.C and 9.3 HE MGA
- Subcontracts concern the implementation of **action tasks** - parts of the project/project tasks that have been outsourced
- Costs and tasks must be identified in the budget and in **Annex 1** - *E.g.: Testing described in Annex 1 as an action task*
- **Simplified approval procedure allowed if:** (i.e. beneficiary flags the subcontracting at reporting stage) 
 - If the use of subcontracting does not entail changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
 - Beneficiary bears the risk of rejection of costs
-  Subcontracting between beneficiaries **is not allowed**. Subcontracting to affiliates is generally not allowed either

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
- Indirect costs calculated on top via the 25% flat-rate (with exceptions, like for internal invoicing)

Overview of participants roles - [AGA](#) page 14

TYPE	Works on 'action tasks'?	What is eligible for the beneficiary/ affiliated entity?	Must be indicated in Annex 1 GA?	Conditions for participation	GA article
Beneficiaries	YES	Costs	YES	Must be eligible	art 7
Affiliated entities	YES	Costs	YES	Must have a capital or legal link with a beneficiary and fulfil the same eligibility conditions	art 8
Associated partners	YES	n/a	YES	No specific conditions (APs do not receive funding).	art 9.1
Third parties contributing to the project	Participate in the action as contributors	n/a (except HE: Costs)	YES		art 9.2
Subcontractors	YES	Invoiced price	NO (only subcontracted tasks must be indicated)	Must be best value for money or lowest price and no conflict of interest	art 9.3
Third parties receiving financial support ²	Participate in the action as recipients.	Amount of support given	YES	According to the conditions in Annex 1 GA	art 9.4

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Participation of Hungarian entities



Measures for the protection of the EU budget against the breaches of the rule of law in Hungary

- The purpose of the Council Implementing Decision ('CID') 2022/2506 of 15 December 2022 is to **protect the Union budget** but **not to exclude** the entities concerned **from participation** in Union programmes

Public interest trusts (Hungarian Act IX of 2021) + entities maintained by a public interest trust (i.e. entities concerned by the CID)

- Can apply and participate in HE actions, but **without receiving HE funding** (Grant agreement level)
=>**Associated partner**, if allowed by the call conditions
- **Cannot** receive HE funding as **third parties** to an action (e.g. as subcontractor, recipients of financial support...)
- The measures apply **until** they are **lifted** by the Council

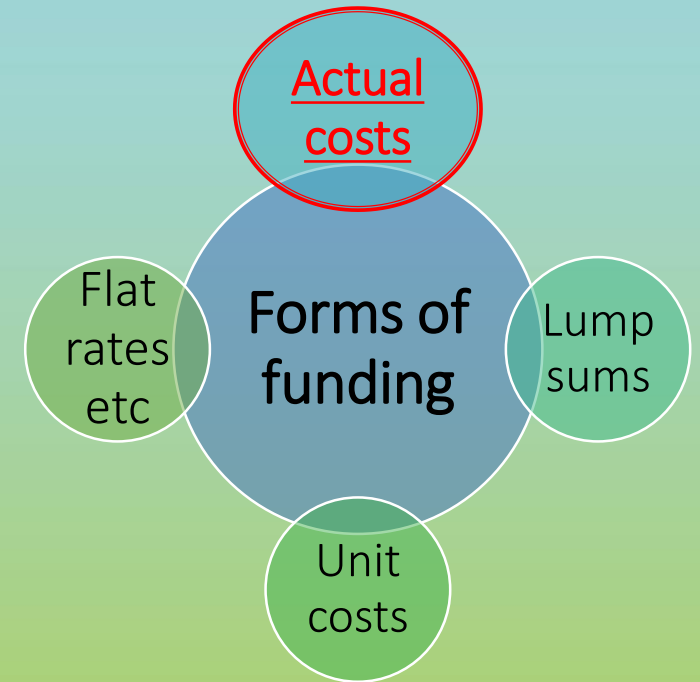
ALL other entities (i.e. entities not concerned by the CID)

- Can apply and receive funding as **beneficiaries**

- **12 FAQs** have been published on the 'EU Funding & Tenders Portal' to explain how Horizon Europe projects and the Hungarian entities targeted are affected by the Council measures

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Types of costs



ESTIMATED BUDGET

ANNEX 2 HORIZON EUROPE MGA – MULTI + MOND

ESTIMATED BUDGET FOR THE ACTION

Estimated eligible ¹ costs (per budget category)															Estimated EU contribution ²						
Direct costs														Indirect costs	Total costs	EU contribution to eligible costs			Maximum grant amount ⁶		
A. Personnel costs		B. Subcontracting costs	C. Purchase costs			D. Other cost categories							E. Indirect costs ³	Feeding rate % ⁴		Maximum EU contribution ⁵	Requested EU contribution				
Form of funding	Actual costs	Unit costs (usual accounting practices)	Unit costs ⁷	Actual costs	Actual costs	Actual costs	Actual costs	/ Actual costs	Unit costs (usual accounting practices)	/ Unit costs ⁷	/ Unit costs ⁷	/ Actual costs	/ Unit costs ⁷	/ Actual costs	/ Actual costs	Flat-rate costs ⁸	$0,25 * (a1 + a2 + a3 + a4 + c1) + 0,2 * c2 + c3 + 0,1 * (d1 + d2 + d3 + d4 + d5 + d6 + d7 + d8 + d9 + d10 + d11 + d12)$	U	4-10%	k	m
	a1	a2	a3	b	c1	c2	c3	/ d1e/	d2	/ d3/	/ d4/	/ d5/	/ d6/	/ d7/	/ d8/						
1 – [short name beneficiary]																					
1.1 – [short name affiliated entity]																					
2 – [short name beneficiary]																					
2.1 – [short name affiliated entity]																					
3 – [short name associated partner]																					
Total consortium																					

Actual costs – General eligibility conditions



- **actually** incurred by the beneficiary
- incurred during the **action duration**
- declared under one of the **budget categories**
- incurred **in connection with the action** (Annex 1) and **necessary** for its implementation
- **identifiable and verifiable** --> in particular **recorded** in the beneficiary's accounts in accordance with the accounting standards applicable in the country where the beneficiary is established and with the beneficiary's **usual cost accounting practices**
- comply with the **applicable national law** on taxes, labour and social security and
- be **reasonable**, **justified** and comply with **sound financial management**, in particular regarding economy and efficiency

Article 6.1 MGA

Overview type of costs



PERSONNEL COSTS

- ❖ Cost of **the time worked for the project** by:
 - **A.1** Employees
 - **A.2** Natural person under direct contract
 - **A.3** Seconded person
 - **A.4** SME owners and natural person beneficiaries



SUBCONTRACTING COSTS

- ❖ You **contract another entity to do action tasks** as described in Annex 1



PURCHASE COSTS

- ❖ **Travel and subsistence costs**
- ❖ **Equipment**
- ❖ **Other goods, works and services**



OTHER COST CATEGORIES *e.g.*

- ❖ **Financial support to third parties**
- ❖ **Internal invoices**
Cost charged internally from one department to another of the same beneficiary if defined cost accounting method



INDIRECT COSTS

- ❖ **25% flat rate**

FOCUS ON

Personnel costs



What are the categories of personnel? (Art 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.

Three cases:

- ✓ Employees with a fixed salary
- ✓ Employees whose remuneration increases when working in projects (**‘project-based remuneration’**)
- ✓ Employees of a beneficiary whose usual cost accounting practice is to calculate average personnel costs (**‘average personnel costs’**)

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

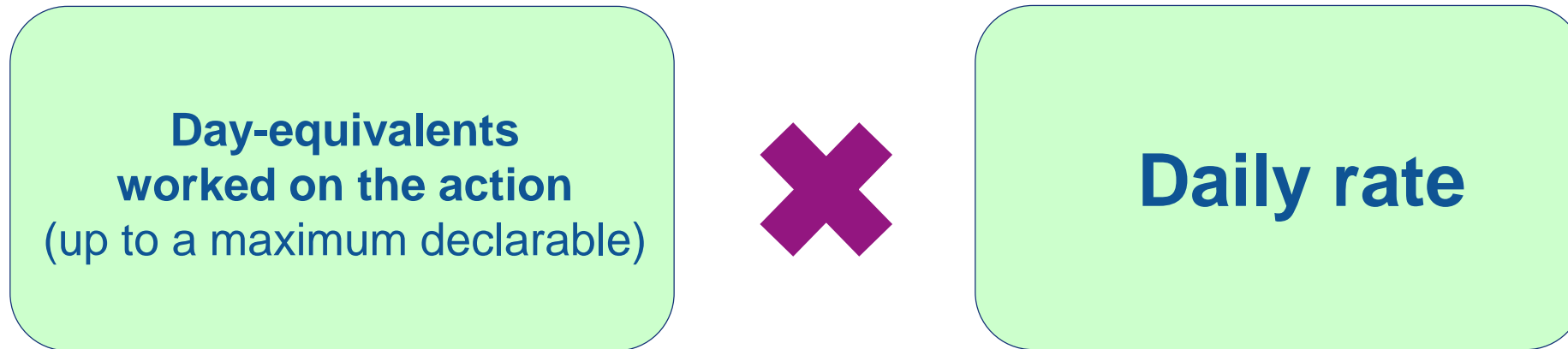
- ❖ A.2 Natural persons with a **direct contract other than an employment contract**
- ❖ A.3 Persons seconded **by a third party against payment**
 - work under conditions similar to an employee*
 - results belong to the beneficiary*

A.4 SME OWNERS AND NATURAL PERSON BENEFICIARIES

- ❖ Costs for SME owners **not receiving a salary** or
- ❖ Costs for **natural person beneficiaries not receiving a salary**

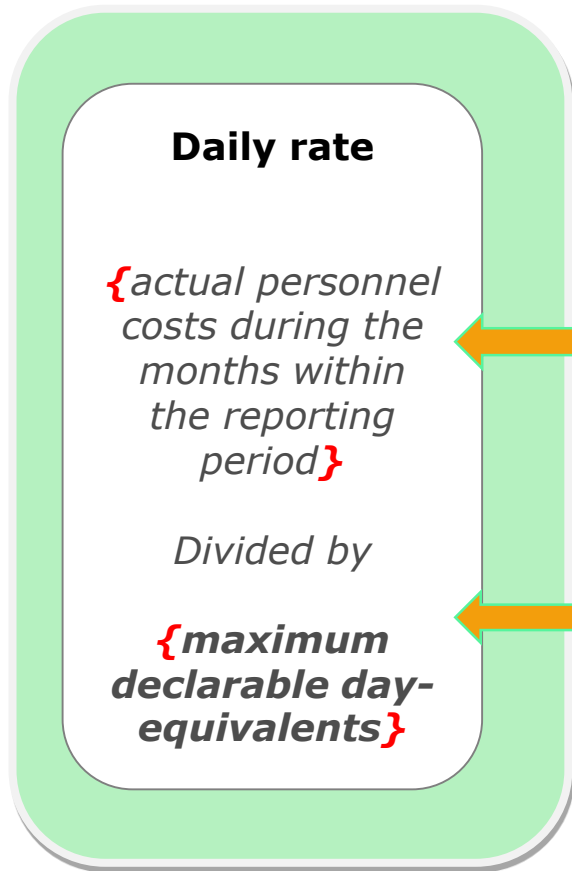
How to calculate your personnel costs?

Category A.1 – case 1: Employees with a fixed salary



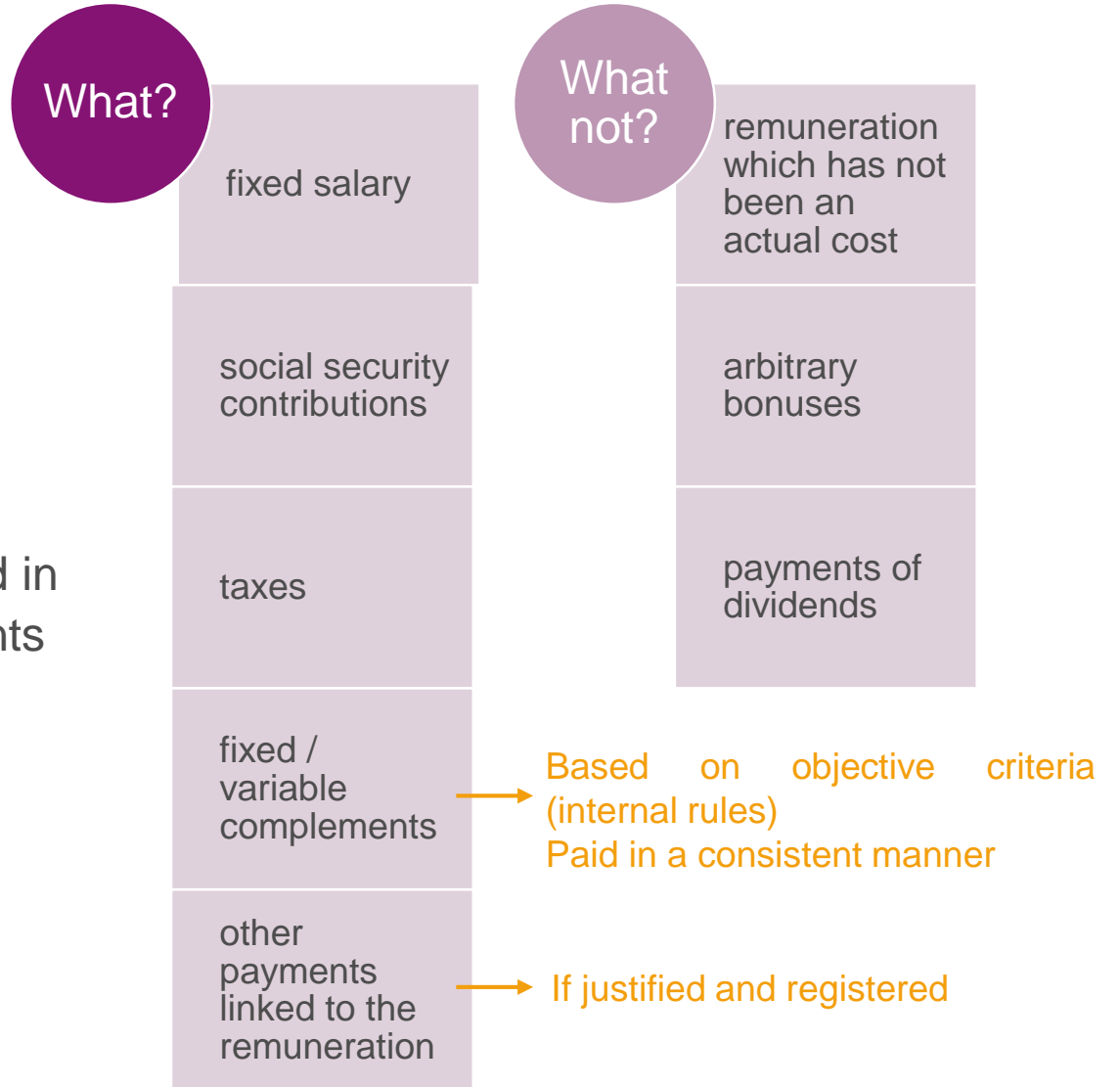
- *Simplification with Commission-wide formula (valid across EU programmes)*
- *Single calculation for the reporting period*
- *Per person who worked in the action*
- *Formula to cover various situations*

Calculation of the daily rate

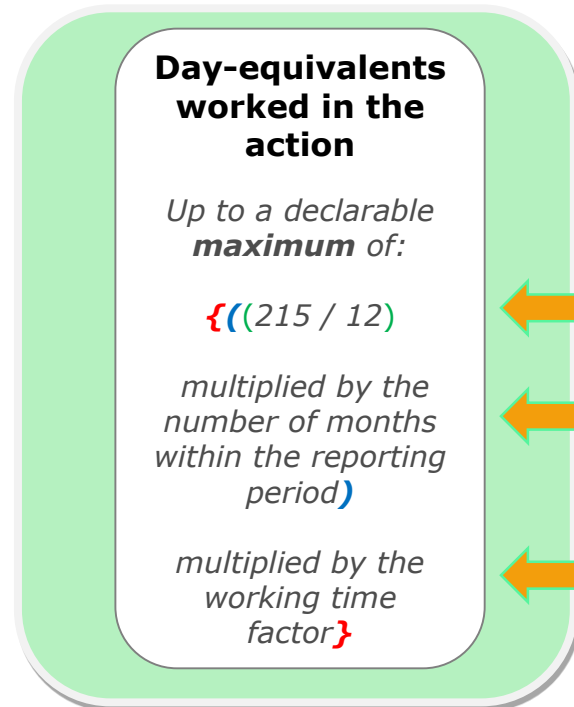


Eligible cost recorded in your statutory accounts

Pro-rata of 215



Maximum declarable day-equivalents



Pro-rata of 215

during which the person is employed

1 for full-time
0,5 for 50% part-time etc.

Double capping:

✓ **Horizontal ceiling:** the actual number of day-equivalents declared accross EU and Euratom grants cannot be higher than **215 per calendar year**

✓ **Reporting period ceiling:** the number of days-equivalents to be declared is **capped at the maximum declarable day-equivalents per reporting period**

NEW!

Disclaimer: Information not legally binding



European
Commission

Days-equivalents worked in the action

- Sum of the day-equivalents actually worked in the action
- Recorded
 - reliable time-recording system
 - monthly declaration on days spent for the action - **Commission template:**

Consistency

EU GRANTS DECLARATION OF DAYS WORKED ON A PROJECT		YEAR:		
<i>To be filled in and uploaded as deliverable in the Funding & Tenders Portal Grant Management System, at the due date foreseen in the system.</i>				
Project acronym:		Project number:		
Participant name:				
Name of the person:		Type of personnel: <small>(employee/ natural person under direct contract/ seconded/ other)</small>		
Month	Days worked in the action ¹ <small>(e.g. 15, 7,5, 0,5)</small>	Work Packages worked on <small>(e.g. WP2; WP5)</small>	Date and signature of the person	Name, date and signature of the supervisor
January			Signature: Date:	Name: Signature: Date:
			Signature:	Name:

Project-based remuneration at a glance

Category A.1 – case 2: Project based remuneration



WHAT IS IT?

- ❖ Usual remuneration practices of a legal entity under which a **personnel receives supplementary payments for work in projects**



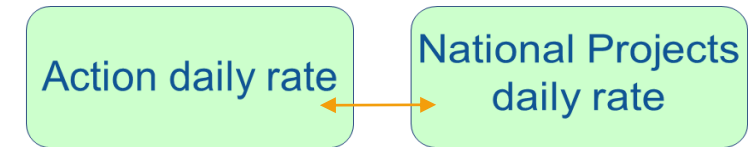
HOW MUCH CAN BE DECLARED?

- ❖ Salary paid for the time worked by the personnel in the **action** ('**action daily rate**') **up to** the remuneration that the person **would be paid for work in R&I projects funded by national schemes** (theoretical '**national projects daily rate**')



METHODOLOGY?

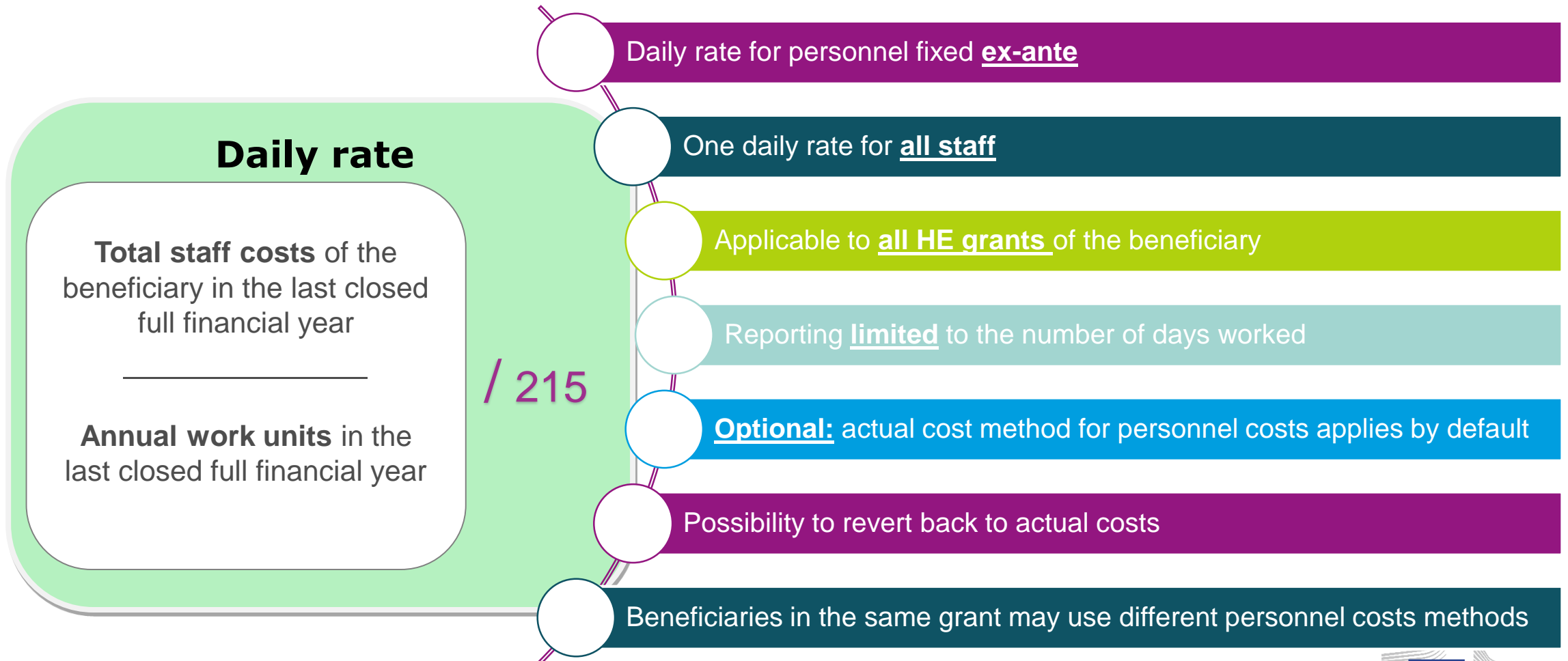
- ❖ **Compare**



- ❖ Take **the lower of the two.**

Too complicated?

The **NEW!** optional unit cost for personnel!



Disclaimer: Information not legally binding

Guidance

Funding & tender opportunities

Single Electronic Data Interchange Area (SEDIA)



ERS ▾ 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





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Thank you!



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