



#HorizonEU

THE EU RESEARCH & INNOVATION PROGRAMME

2021 – 2027

The rules of the game

15 July 2026

THE RULES OF THE GAME



Legal set-up

Types of
participants

Reporting



What is a
Grant
Agreement

Types of costs

Non-financial
obligations



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Legal set-up





Legal Framework

Horizon Europe Regulation 2021/695

- Sets the **objectives** of the programme.
- **Rules for participation**
- Implementation period **2021-2027** (MFF)

Financial Regulation 2024/2509

- Sets the **rules, standards and supervisory practices** that govern financial institutions, markets and public finance.
- Establish the **principles for managing the EU budget.**
- Regulates procurement, **grants** and financial instruments

General Annexes He Main WP

- Outline **general conditions** applicable to EU calls and topics
- Set the **evaluation and award procedures** and other criteria for HE funding

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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

- **To receive EU funding**, under the terms and conditions defined in the GA, to help you to accomplish your project
- **To own the results** of the project that you have generated
- **To ask for amendments** if something needs to be changed



YOUR OBLIGATIONS

- **To implement the project** as planned in the description of the action (**Annex 1** to the grant agreement)
- **To submit reports** at the time and for the periods 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**

Overall, the granting authority can never pay more than the maximum grant amount fixed in the grant agreement



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

Beneficiary

- Signs the project
- Has all rights and obligations

Associated partner

- Does work but can NOT declare costs

Subcontractor

- Does work and invoices the beneficiary
- The beneficiary may declare the invoice

Affiliated entity

- With a legal or capital link with the beneficiary
- Does work and may declare costs

Third party providing contributions

- Does NOT do work just give in-kind contributions
- The beneficiary may declare the costs of the contributions



Overview of participants roles - AGA page 13

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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Types of costs



What are the 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!



European Commission

Actual costs – General eligibility conditions



Article 6.1 HE MGA

- they must be **actually** incurred by the beneficiary
- they must be incurred during the **action duration**
- they must be declared under one of the **budget categories**
- they must be incurred **in connection with the action** (Annex 1) and **necessary** for its implementation
- they must be **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**
- they must comply with the **applicable national law** on taxes, labour and social security and
- they must be **reasonable, justified** and must comply with the principle of **sound financial management**, in particular regarding economy and efficiency

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



Equipment costs (Article 6.2.C.2 HE MGA)

- ❑ **By default, depreciation costs** are eligible (i.e., default provisions set out generally in the HE grant agreement)



If the beneficiary does not use the equipment exclusively for the action, only the portion used on the action may be charged, NOT the full depreciation costs (and the amount of use must be auditable)

- ❑ **By exception, full costs** are eligible (only if allowed by the call conditions → and the corresponding provisions are set out in your grant agreement)



Always check which provisions are set out in your grant agreement for equipment costs

[OPTION 1 by default: depreciation only]

[OPTION 2 if selected for the call: full cost only]

[OPTION 3 if selected for the call: depreciation and full cost for listed equipment]

[OPTION 4 if selected for the call: full cost and depreciation for listed equipment]

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Personnel costs



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.

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 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.**
 - i. work under conditions similar to those of an employee*
 - ii. the result of the work belongs to the beneficiary*

A.4 SME OWNERS AND NATURAL PERSON BENEFICIARIES

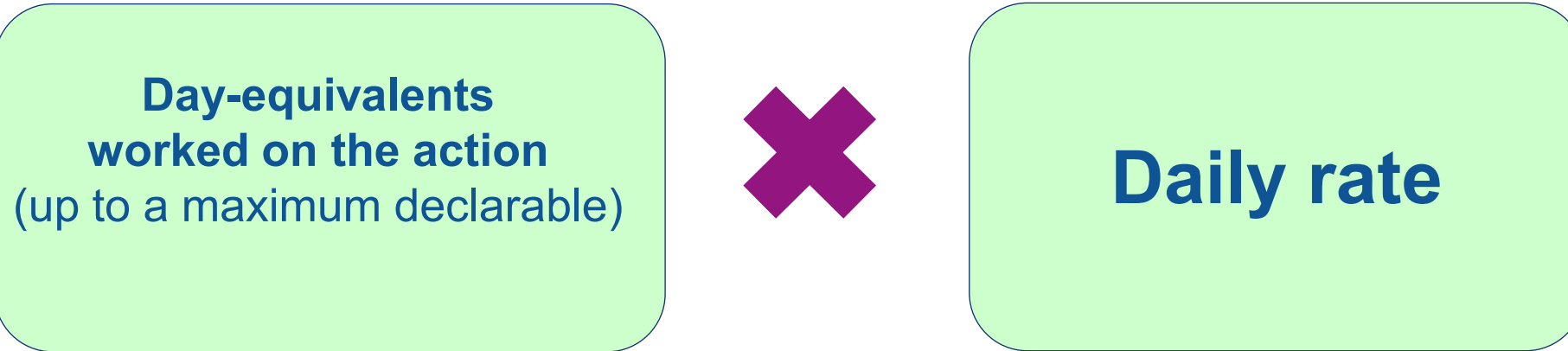
- ❖ Costs for SME owners (i.e. **owners** of beneficiaries that are small and medium-sized enterprises **not receiving a salary**) or
- ❖ Costs for **natural person beneficiaries** (i.e. beneficiaries that are natural persons not receiving a salary)

How to calculate your personnel costs?

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

Corporate formula

NEW!



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*

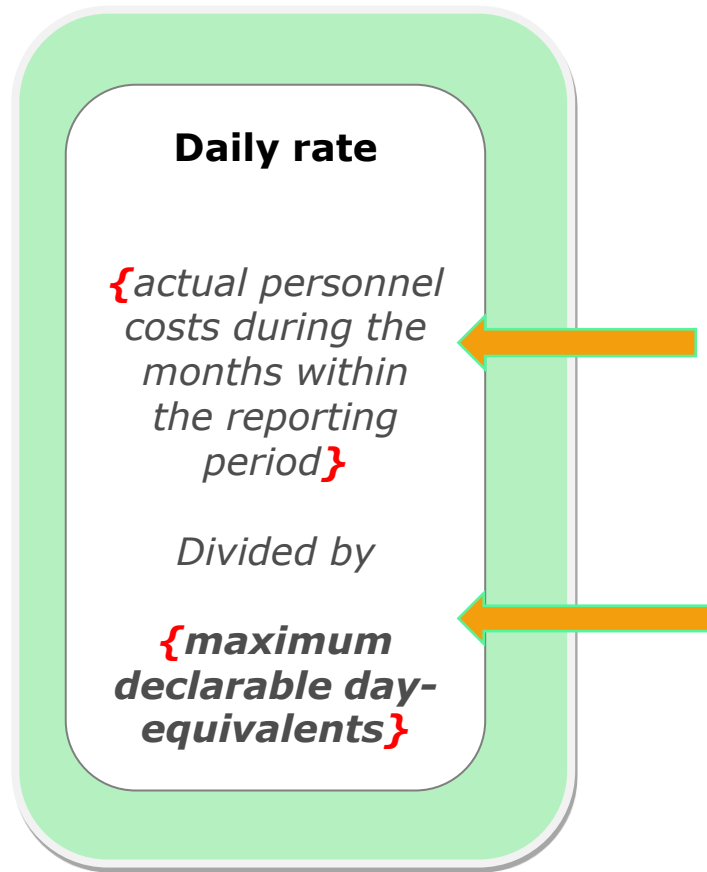
Days-equivalents worked in the action



To be recorded via:

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

Calculation of the daily rate



Eligible cost recorded in your statutory accounts

Pro-rata of 215

What?

fixed salary

social security contributions

taxes

fixed / variable complements

other payments linked to the remuneration

What not?

remuneration which has not been an actual cost

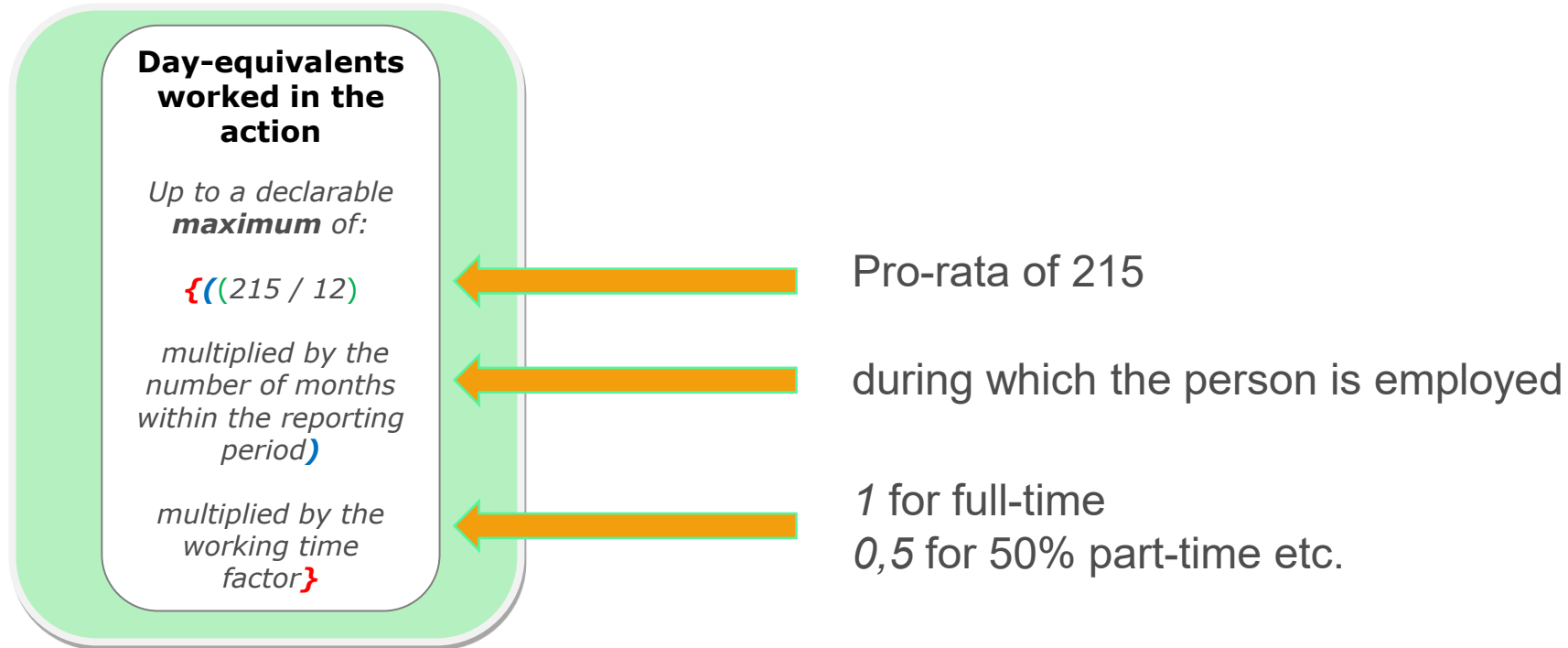
arbitrary bonuses

payments of dividends

Based on objective criteria (internal rules)
Paid in a consistent manner

If justified and registered

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

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**

What is FSTP / cascade funding ?

Financial support from beneficiaries to (one or more) **recipients that are not party to the EU Grant Agreement** (third party).



Under any grant (RIA, IA, CSA, Co-funds)

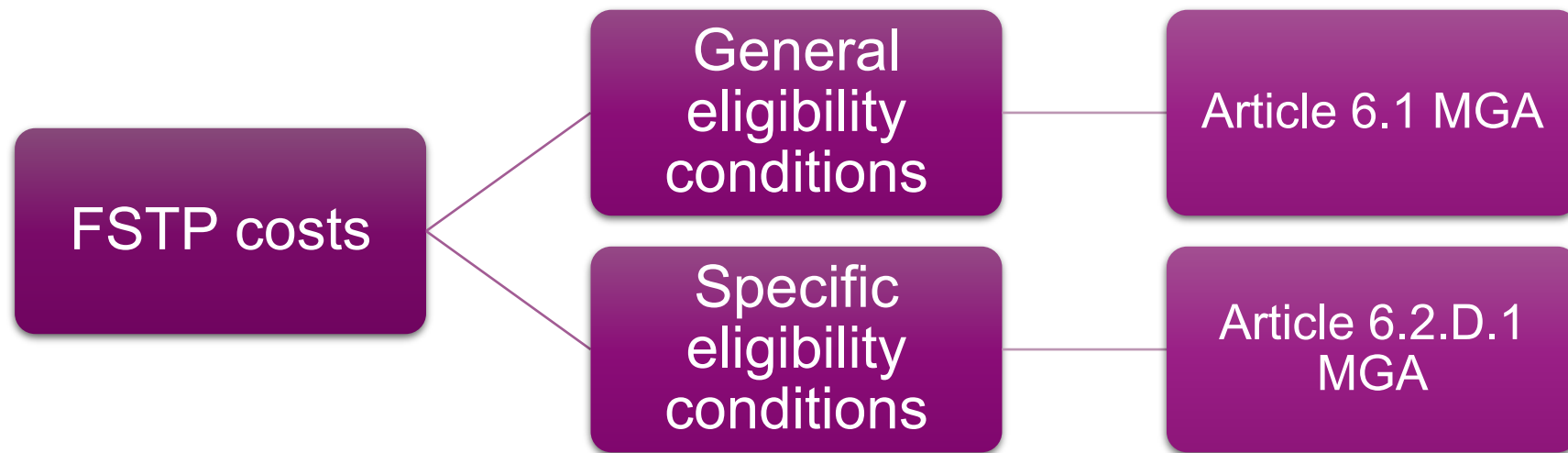


Grants i.e., financial donation to **natural persons** (e.g. allowance, scholarship, fellowship) **or legal persons** (e.g. non-repayable financial assistance to local NGOs)



Prizes are given on the basis of a contest organised by the beneficiary.

At sub-grant level - Eligibility of FSTP costs



Article 6.2.D.1

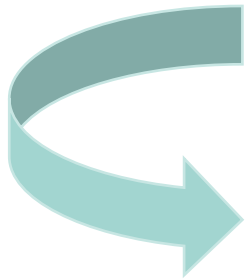
- HE grants reimburse beneficiaries for the actual costs they have incurred.
- The support is implemented in accordance with the conditions set out in Annex 1.

→ These conditions must ensure objective and transparent selection procedures (and reflect those mentioned in the Financial Regulation Art 208)

FSTP and State aid – How to assess it?

The FSTP is not an EU action. It's the action organized by beneficiaries of HEU grant under their own responsibility.

The **classification of FSTP as State aid** would depend on the specific circumstances of each case, including the **nature of the support**, the **beneficiaries**, and the **applicable state aid rules**.



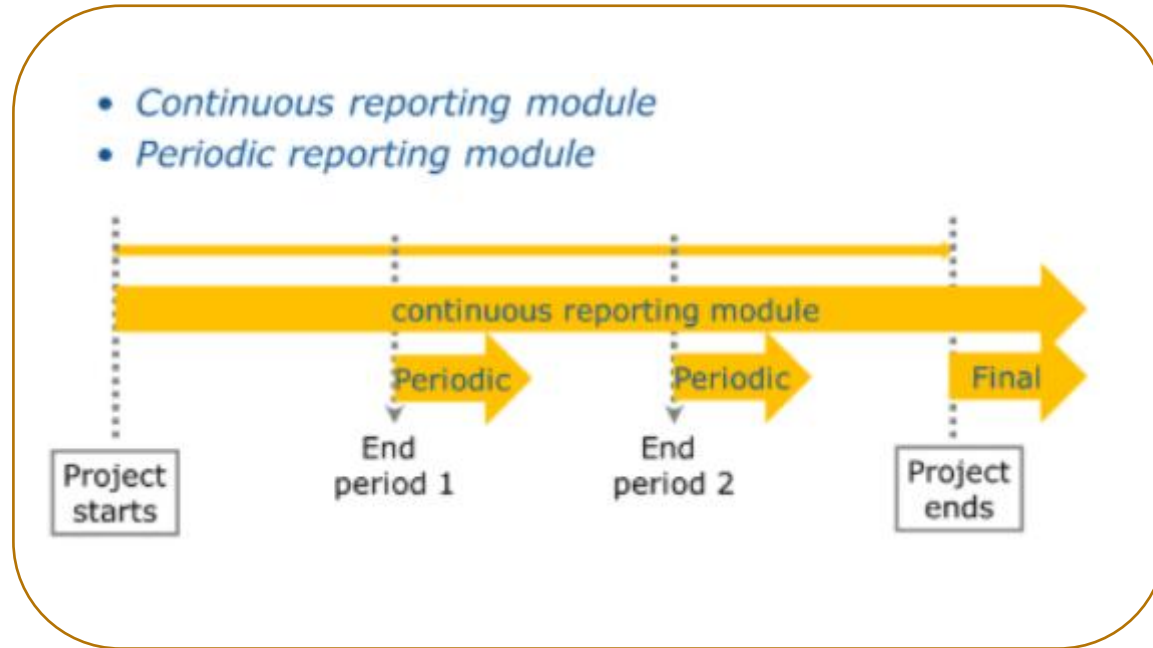
BEST PRACTICE - We recommend consulting the relevant state aid regulations and seeking guidance from the European Commission's Directorate-General for Competition or the relevant national authorities for a more detailed assessment. You may also find this document useful: [Communication from the Commission: Framework for State aid for research and development and innovation.](#)

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Reporting



Project lifetime & reporting



Periodic reporting

Technical Part

Financial Part

For final reporting:
CFS if EU contribution > 430,000 EUR

Continuous reporting

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

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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

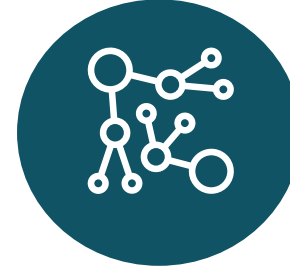
Obligation to protect, exploit and disseminate the results in line with plan for the exploitation and dissemination of the results.



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 and 17 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**

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Guidance Documents on Horizon Europe



Disclaimer: Information not legally binding



Guidance

Funding & tender opportunities

Single Electronic Data Interchange Area (SEDIA)



How to Participate

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?



European
Commission

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

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