



EU4Health - 2023 Work Programme

Open calls for action grants

FINANCIAL MANAGEMENT

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Definition: Grant is direct financial contribution to an action

(Financial Regulation, 2018/1046. Title VIII – Grants)

- **Co-funding rule:** external co-financing from a source other than EC funds is required (own resources or financial contributions from third parties, project income)
- **Non-profit rule:** the grant may not have the purpose or effect of producing a profit for the beneficiary
- **Non-retroactivity rule:** only costs incurred after the starting date stipulated in the grant agreement can be co-funded
- **Non-cumulative rule:** only one grant can be awarded for a specific action carried out by a given beneficiary

Form of the grant – Data Sheet point 3, Article 5, Article 39 of the Grant Agreement

- Action grant
- Grant based on **actual costs** declared with unit costs and flat rate elements
- **Grant = partial reimbursement of eligible costs** that are incurred by beneficiaries and affiliated entities listed in the grant agreement **at the fixed reimbursement rate.**
 - **Reimbursement rate under the EU4Health programme: 60%** of eligible costs
 - **Reimbursement rate with exceptional utility: 80%** of eligible costs
- **“Maximum grant amount”** the maximum amount the Agency will be able to pay as contribution to the action’s costs.
- Budget flexibility: **budget maybe adjusted**, without formal amendment, as long as it does not imply any substantive or important change to the description of the action

Eligible costs – Data Sheet point 3, Article 6 of the Grant Agreement

General conditions – Cumulative requirements:

- Connected with the action as described in Annex 1 and included in the Estimated Budget (Annex 2);
- Necessary for the implementation of the action;
- Reasonable and justified – “good housekeeping”;
- Incurred within the duration;
- Actually incurred by the beneficiaries / affiliated entities of the grant;
- Identifiable and verifiable, in particular being recorded in the accounting records of beneficiary / affiliated entity in accordance with accounting standards and the beneficiary’ accounting practices.

Ineligible costs – Article 6 of the Grant Agreement

- In-kind contributions from third parties;
- VAT, when the beneficiary is able to deduct or recover it;
- Reckless and excessive expenditures;
- Costs declared under another grant;
- Financial support to third parties (grant in a grant).

Budget categories – Article 6 of the Grant Agreement

Direct Costs

- A. Direct personnel costs (employees + natural persons with direct contract + seconded persons)
- B. Subcontracting (engagement of a 3rd party to carry out certain activities of the proposed action)
- C. Purchase costs
 - a. Travel, accommodation and subsistence allowances (unit cost)
 - b. Equipment (depreciation, renting, leasing)
 - c. Other goods and services

Indirect Costs

- E. Flat rate of 7% of total direct costs

Personnel costs

Cost of employees

- Costs claimed: salary + social security + taxes;
- Any other costs included in the remuneration (= statutory charges) based on national law or employment contracts;
- Supplementary payments

Cost for natural persons with a direct contract and seconded persons against payment

- Similar conditions as employment: at the beneficiary's premises, results belong to the beneficiary with similar costs of employment

Personnel costs

Staff efforts: **Annex 1 Part A** Description of the action: sum of person-months of work packages must be equivalent with the detailed budget

A. Personnel costs							
WORK PACKAGE 1	NAME 1	Costs (actual or unit costs)			Also working for other work packages? YES/NO and which WP	Description of project role/activities/responsibilities	
		Type of rate (monthly/other)	Rate (amount)	Time (months/other of work on the action)			Total (EUR)
			a	b			c = a * b
! monthly rates allowed for budgeting because simpler to establish the approximate costs; cost reporting will have to be done according to MGA (usually daily rates)							
	A.1 Employees (or equivalent)						
	Select a staff category	monthly	0,00	0,00	0,00		
	Select a staff category	monthly	0,00	0,00	0,00		
	Other						
	[category 1]	monthly	0,00	0,00	0,00		
	[category 2]	monthly	0,00	0,00	0,00		
	Total employees (or equivalent)				0,00		
	A.2 + A.3 Natural persons under direct contract and seconded persons						
	Select a staff category	monthly	0,00	0,00	0,00		
	Select a staff category	monthly	0,00	0,00	0,00		
	Other						
	[category 1]	monthly	0,00	0,00	0,00		
	[category 2]	monthly	0,00	0,00	0,00		

Subcontracting – Article 7 and 9 of the Grant Agreement

- Contracts awarded to cover the execution of an action / task described in Annex 1 of the grant agreement.
 - Activities undertaken by the project and proposed for co-funding
 - Service contracts
 - Invoices (including taxes, charges)
- Core elements and technical / financial management of the action cannot be subcontracted
- Tasks subcontracted must be clearly set out in Annex 1;
- Requirement of transparency, best value for money and, if appropriate, lowest price. Conflict of interest must be avoided;
- Documents of procedures applied must be available.

Subcontracting

- Third parties to describe in **Annex 1 Part B**
- Amount of Subcontracting in Annex 1 Part B must be consistent with detailed budget
- Justification for subcontracting when its proportion of total costs > 30%

B. Subcontracting costs					
51			Costs (actual costs)	Also used for other work packages? YES/NO and which WP	Description of subcontracted project tasks/activities
52					
53					
54	WORK PACKAGE 1	NAME 1			
55		1[Subcontract short name]	0,00		
56		2[Subcontract short name]	0,00		
57		Total subcontracting for this WP	0,00		
58					
59			Total subcontracting (all WPs)	0,00	

Travel and subsistence – Annex 2a of the Grant Agreement

Travel & subsistence incurred as costs by the beneficiary for all participants, except subcontractors shall be claimed here:

- Personnel
 - Collaborating stakeholders
 - Invited experts, speakers
 - Board members
 - Trainees, other participants
-
- Unit costs following the Commission Decision C(2021)35.

Travel and subsistence

- Link to calculation tool is available in the Commission Decision
- Describe your planned events (*example: 1-day stakeholders meeting with approx. 10 participants*)

C.1 Travel and subsistence								
	Costs (actual costs)	Costs (unit cost)			!	Also part of other work packages? YES/NO and which WP	Description (e.g. international/not international; place of activity/destination; number of days; number of persons (speakers, personnel and participants whose costs are covered); transport means; average price per person; subsistence costs/daily allowances)	
		Amount per unit	Number of units	Total (EUR)				
WORK PACKAGE 1	NAME 1							
	1 [Travel short name]							
	Speakers							
	Travel costs	0,00	0,00	0,00	0,00			
	Accommodation costs	0,00	0,00	0,00	0,00			
	Subsistence costs	0,00	0,00	0,00	0,00			
	Personnel							
	Travel costs	0,00	0,00	0,00	0,00			
	Accommodation costs	0,00	0,00	0,00	0,00			
	Subsistence costs	0,00	0,00	0,00	0,00			

Equipment

- Specific equipment necessary for the action
- Costs eligible:
 - Portion of **equipment's depreciation costs** only, for the period of the action, if recorded in the beneficiary's accounts. Purchase and depreciation is in accordance with international accounting principles and the beneficiary's usual accounting practices.
 - Costs of **renting** an equipment or **leasing** an equipment (excluding financing costs) – with limits to equivalent depreciation costs
- Office equipment and software (Microsoft Office, Excel, Word, furniture) are part of Indirect Costs

Equipment

- Depreciation: estimated price + depreciation method
- Rate of use for the action
- Describe your planned equipment

C.2 Equipment								
91	C.2 Equipment							
92	WORK PACKAGE 1	NAME 1						
93		C.2.1 Purchase (depreciation/full cost)		Costs (actual costs)			Also part of other work packages? YES/NO and which WP	Description of tasks/activities for which the equipment is needed
94		Price	Depreciation method (e.g. 36 month or 60 month)	Number of months allocated to the action	Rate of use for the action (100% or less if used also for other purposes)	Total (EUR)		
95		a	b	c	d	e = (c/b * d) * a		
96		1 [Equipment short name]	0,00	0	0,00	0%	0,00	
97		2 [Equipment short name]	0,00	0	0,00	0%	0,00	
98		3 [Equipment short name]	0,00	ATTENTION! Can be used only if full cost option in the grant agreement			0,00	
99		Total depreciation					0,00	
100		C.2.2 Rental and leasing (rate of use/full cost)						
101				Costs (actual costs)			Also part of other work packages? YES/NO and which WP	Description of tasks/activities for which the equipment is needed
102		Monthly rent/fee	Number of months of use for the action	Rate of use for the action (100% or less if used also for other purposes)	Total (EUR)			
103	a	b	c	d = a*b*c				
104	1 [Equipment short name]	0,00	0,00	0%	0,00			
105	2 [Equipment short name]	0,00	0,00	0%	0,00			
106								
107								
108								

Other goods and services

- Must be directly linked to and necessary to implement the action
- Requirement of **transparency, best value for money** and, if appropriate, lowest price. **Conflict of interest** must be avoided.
- Examples (non-exhaustive):
 - Dissemination of information;
 - Specific evaluation of the action;
 - Certificates of financial statements;
 - Translations, reproduction of reports;
 - Consumables and supplies (excluding general office supply);
 - Cost of financial guarantee, if applicable.

Other goods and services

- Pre-defined cost categories + other categories specific to the action
- Threshold for CFS (Certificate on financial statement): individual grant amount of 325.000 EUR
- Describe your planned cost items

C.3 Other goods, works and services				
WORK PACKAGE 1	NAME 1			
		Costs (actual costs)		Also part of other work packages? YES/NO and which WP
				Description of tasks/activities for which the goods/services are needed; types of goods services needed; how much
	Consumables	0,00		
	Conferences, seminars, workshops, trainings & events	0,00		
	Information & publications	0,00		
	Other expenses			
	1 IPR costs	0,00		
	2 Bank fees (pre-financing guarantee)	0,00		
	3 <u>Audit fees (CFS)</u>	0,00		
	4 Project evaluation	0,00		
	[5 short name other]	0,00		
	[6 short name other]	0,00		
Total goods, works and services for this WP		0,00		
Total goods, works and services (all WPs)		0,00		

Cash flow – Data Sheet point 4, Article 21 and 22 of the Grant Agreement

Beneficiaries / affiliate entities carry out activities, generate costs – e.g. pay salaries, subcontracting, travel, purchases, etc.

Starting date:
01/09/2023

Interim reports at
M16 and M32

End date M48



30% pre-financing
payment at signature of
the grant agreement

Assessment of technical reports,
deliverables and costs declared, reimbursement of eligible costs

Financial capacity assessment

- Beneficiaries must demonstrate that they have necessary financial capacity to carry the burden of the grant.
- Analysis of annual accounts (balance sheet / profit & loss account) before grant signature
- If the requested individual grant > 750.000,00 EUR, audit certificate on the annual accounts / declaration on validity of the accounts must also be submitted
- Actions in case of weak financial capacity:
 - Reduced / no pre-financing payment
 - Pre-financing guarantee

Personal tips

Read the invitation documents, grant agreement / annotated grant agreement and the guidelines

Involvement of Accounting, HR and Procurement of the partners

- Accounting – all available financial information and supporting documents
- HR department – who is staff, components of salary
- Procurement / Sourcing – contract management with third parties, applicable procedures

Consortium agreement on internal grant management: reporting within the consortium, close follow-up of expenditure.

Thank you



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