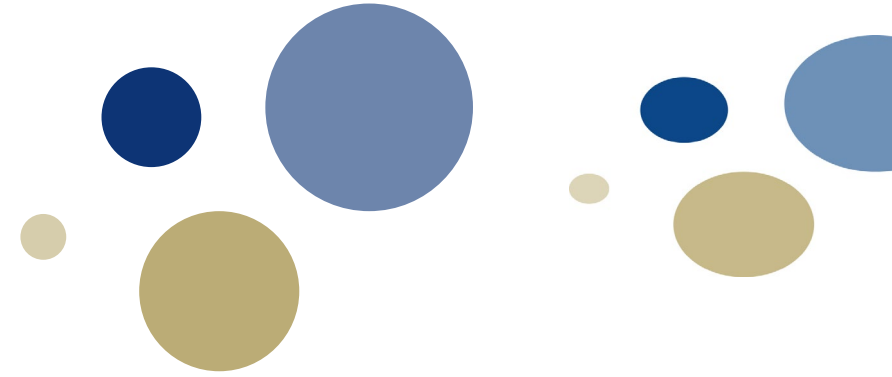




NTNU – Trondheim
Norwegian University of
Science and Technology



Lump sum funding in Horizon Europe

How to manage proposals and projects

NARMA Annual Conference, 17 – 18 March 2026

Per Inge Andresen, Senior adviser

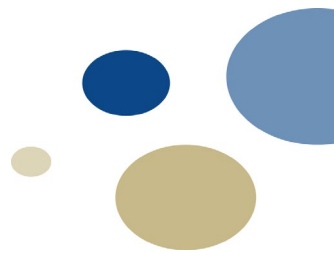
Norwegian University of Science and Technology – NTNU

Contents

- Quick recap – Lump sum funding basics
- Project management challenges related to lump sum funding
- Project management methods and tools that may be helpful for lump sum projects
- How to manage lump sum funding throughout the project life cycle



Quick recap – Lump sum funding basics



Do the job – and the money is yours

- The EU funding is fixed in the Grant Agreement (GA)
 - Fixed amount per Work Package (WP)
 - Fixed amount per beneficiary participating in the WP
- If the WP is completed the EU funding is approved
- No reporting or documentation of actual costs
- No financial audits(?)
- Everything depends on proving that the WP tasks and deliverables were completed
- Tracking of use of resources and costs for the project may still be necessary
 - Depending on internal and national rules
- Lump sum funding is here to stay in the foreseeable future, according to EC plans
 - 50% of call topics in the current Work Programme

Objectives of successful project management



- Carry out planned activities
- On time
- Quality of implementation and results
 - "Perfect"?
 - "Good enough"?
- Achieve defined project objectives
- Efficient processes
- Control of resources used and of costs
- Risk management
- Change management
 - Agile adaptation to unexpected events

Lump sum funding: Focus on excellence and implementation of tasks

- Freeing up time, resources and costs from financial reporting and financial audits
- Allowing EC Project Officers (POs) to focus more on technical monitoring, technical reviews and technical audits
- Net result in terms of management effort, resources and costs?
- Shift in management staff, skills and knowledge required?

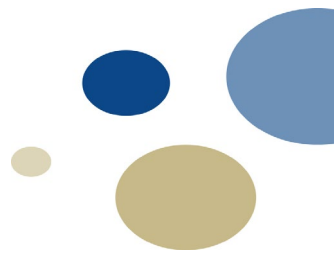
Project management challenges related to lump sum funding

- The EU funding is based on estimates from the proposal stage, i.e., before the fact
 - If the actual costs turn out to be different in reality, it's usually too late to do anything about it
- Documentation of activities and progress tends to be more critical
- Monitoring of implementation without reporting of actual costs
- More questions about details for technical reporting and technical reviews
- More detailed technical audits?
- Financial uncertainty until WP is accepted as completed
- Dependence on other WP participants

Apparent paradox?

- In the absence of actual cost reporting, POs (EU Project Officers) tend to ask for more details and explanations for the technical reporting
 - According to participant experiences
- How to "prove" what the technical report says?
- With reporting of actual costs, POs could check whether the financial and technical reporting were mutually consistent
 - One supporting the other
- Many participants continue using timesheets also for lump sum projects

Lump sum funding: Shift of focus and skills in project management



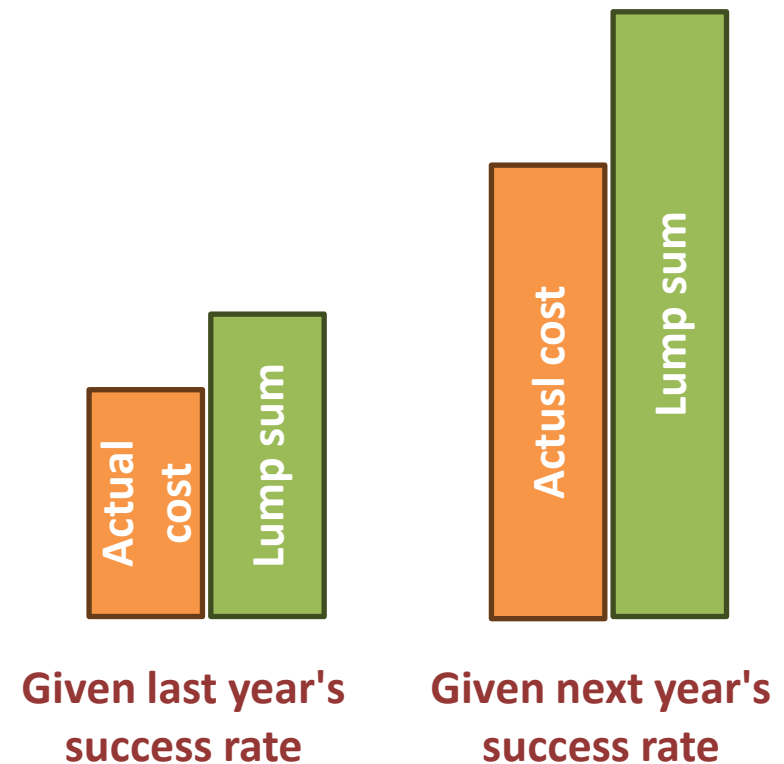
- Financial staff
 - Strong cost calculation knowledge and skills will be even more valuable
 - Understanding of and good communication skills regarding cost-activity link a bonus
 - While there will be no reporting of actual costs, good knowledge of rules regarding eligible costs is still required
 - Still needed after the project has started, even in the absence of reporting of actual costs
 - Payments to beneficiaries
 - Amendments with budget changes
- Research advisers, managers and administrators
 - Strong skills in documentation of implementation of activities will be advantageous
 - For the Coordinator role:
 - Knowledge and experience in monitoring of work done by beneficiaries will be valuable
- Researchers
 - Awareness of and focus on documenting activities in the project is essential

Overall impact on administrative effort and costs (1)

- Preparing a budget for a lump sum project with appropriate quality requires more effort
 - Remember: A budget is an estimate
 - Things rarely go exactly to plan, unexpected things tend to happen
 - In practice, less budget flexibility during implementation with lump sum rules
- The increased amount of work with budgets also applies to proposals that are not successful (not selected for funding)
- Keep in mind the recent, substantial increase in the number of proposals and drop in success rates
 - Due – at least in considerable measure – to the emergence of AI in proposal writing

For illustrative purposes:
Relative amount of work required to be awarded a given number of projects:

Proposal & GAP stage

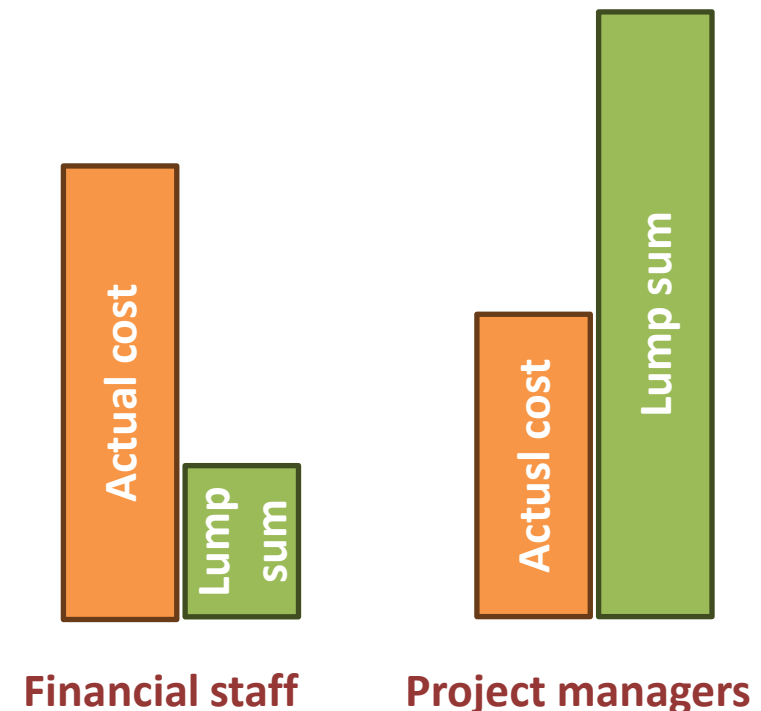


Overall impact on administrative effort and costs (2)

- How about AI for budgeting?
- While no financial reporting to the EU is required, financial management is still required for internal management purposes and compliance with national rules
- More effort and costs likely to be required for technical monitoring, reviews and audits
- Improved skills and knowledge and increased administrative capacity in these areas may be required
- Net result, in terms of administrative effort and costs?

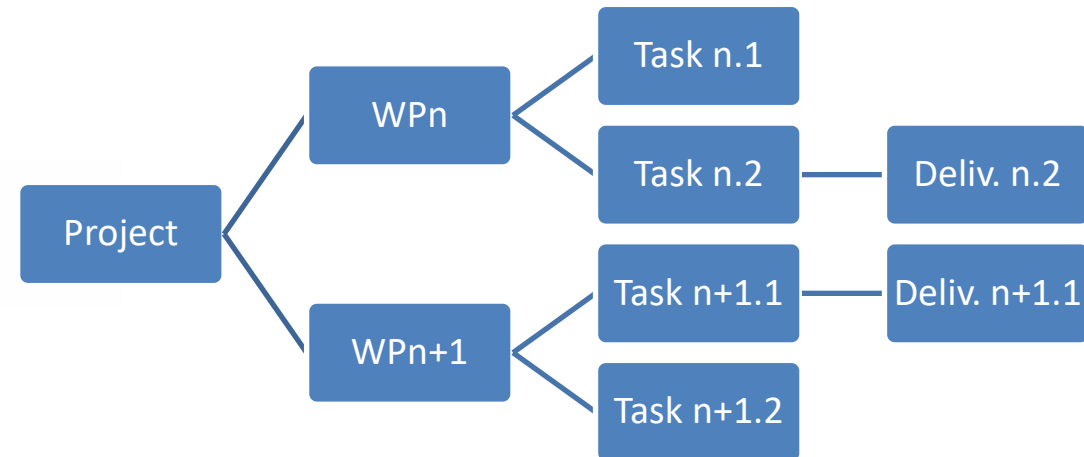
For illustrative purposes:
Relative amount of work required to
manage a given number of projects:

Implementation stage



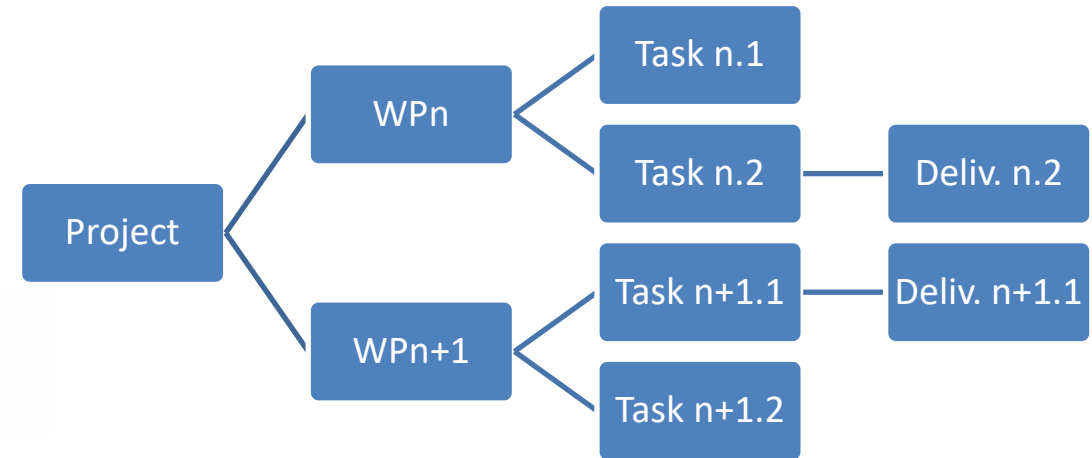
Project structure

- What do we mean by project structure?
- Project implementation considerations related to the project structure
- Financial considerations related to the project structure
- Dependencies



What do we mean by project structure?

- WBS – Work breakdown structure
 - Work Packages (WPs)
 - Tasks
 - Deliverables
- Milestones
- Participants, contributors



PROJECT TITLE		COMPANY NAME		PROJECT START DATE		DATE/2020				MILESTONE 1		MILESTONE 2		MILESTONE 3		MILESTONE 4		MILESTONE 5	
WBS	TASK TITLE	TASK DESCRIPTION	DEPENDENCIES	TASK OWNER	POC OF TASK	SCHEDULED START	SCHEDULED FINISH	ACTUAL START	ACTUAL FINISH	RISK	DUPLICATION	1	2	3	4	5	6	7	8
1.0	Main Task 1					04/01/20	04/30/20	04/01/20	04/30/20	1	14								
1.1	Sub Task 1					04/01/20	04/15/20	04/01/20	04/15/20	2	8								
1.2	Sub Task 2					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.3	Sub Task 3					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.4	Sub Task 4					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.5	Sub Task 5					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.6	Sub Task 6					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.7	Sub Task 7					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.8	Sub Task 8					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
1.9	Sub Task 9					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.0	Main Task 2					04/01/20	04/30/20	04/01/20	04/30/20	1	14								
2.1	Sub Task 1					04/01/20	04/15/20	04/01/20	04/15/20	2	8								
2.2	Sub Task 2					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.3	Sub Task 3					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.4	Sub Task 4					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.5	Sub Task 5					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.6	Sub Task 6					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.7	Sub Task 7					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.8	Sub Task 8					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
2.9	Sub Task 9					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.0	Main Task 3					04/01/20	04/15/20	04/01/20	04/15/20	1	14								
3.1	Sub Task 1					04/01/20	04/15/20	04/01/20	04/15/20	2	8								
3.2	Sub Task 2					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.3	Sub Task 3					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.4	Sub Task 4					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.5	Sub Task 5					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.6	Sub Task 6					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.7	Sub Task 7					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.8	Sub Task 8					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
3.9	Sub Task 9					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.0	Main Task 4					04/01/20	04/15/20	04/01/20	04/15/20	1	14								
4.1	Sub Task 1					04/01/20	04/15/20	04/01/20	04/15/20	2	8								
4.2	Sub Task 2					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.3	Sub Task 3					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.4	Sub Task 4					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.5	Sub Task 5					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.6	Sub Task 6					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.7	Sub Task 7					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.8	Sub Task 8					04/16/20	04/30/20	04/16/20	04/30/20	2	8								
4.9	Sub Task 9					04/16/20	04/30/20	04/16/20	04/30/20	2	8								

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Project structures in lump sum projects



- Assessing implications of alternative project structures in lump sum projects
- The number of WPs
 - The EC generally accepts to split WPs that normally go from project start to finish into one WP per reporting period
 - Management
 - Dissemination, communication and exploitation
- Which beneficiaries in which WPs
- The timing of WPs
 - Trying to align end dates with reporting period end dates, if it makes sense from a content perspective

Project structure – Project implementation considerations

- Facilitating the successful completion of WPs
- Impacts of delays in one WP
- Impacts of quality issue in one WP
- Impacts of an incomplete WP
- Underperforming beneficiaries
 - Reduce exposure for other beneficiaries?
 - Focusing their lump sum shares in one or more WPs with small lump sum shares for other beneficiaries?
 - Redesigning the WP structure to facilitate this?
- Monitoring of progress and quality
 - Degree of specification of tasks and deliverables
 - The more concrete they are, the easier it tends to be to verify their completion
 - May be a double-edged sword?
 - KPIs?

Project structure – Financial considerations: Cash low

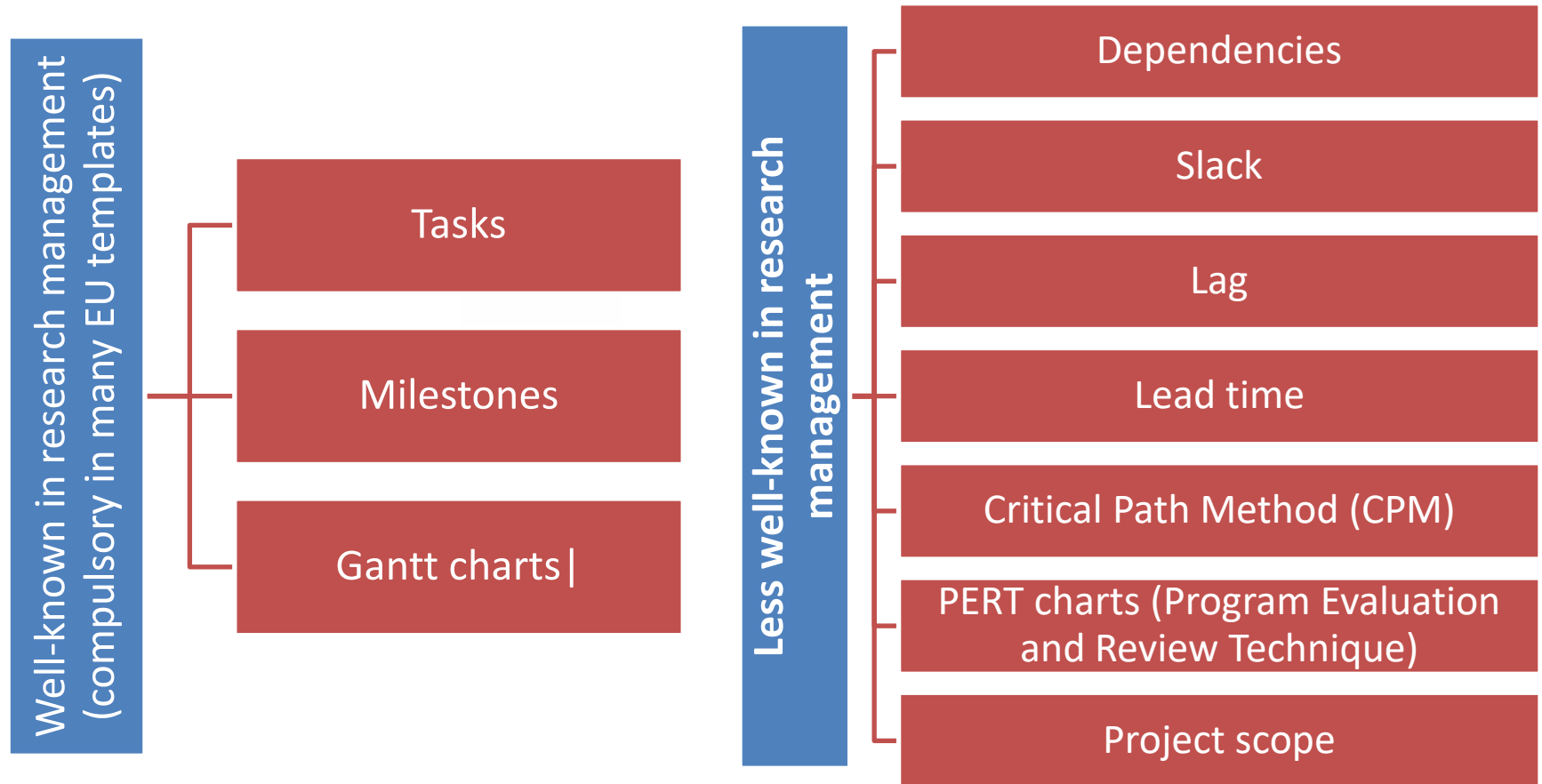
- Payment schedule principles are the same as for actual cost grants
- The same formula for calculating the prefinancing
- Potential impact on interim payments
 - Depends on completion of WPs and approval of periodic report
- Trend toward longer reporting periods
 - 2-year periods for 4-year projects apparently becoming more common
 - The report on cumulative expenditure for projects with periods longer than 18 months is not relevant for lump sum projects
 - With 2 reporting periods, **net prepayment** is normally:
$$\left(\left(\frac{1}{2} \times 160\% \right) - 5\% \right) \times \text{Max grant} = 80\% - 5\% = \mathbf{75\% \text{ of Max grant}}$$
 - => **Interim payment** after RP1 cannot exceed **5% of the Max grant**
 - => Limited cash flow impact
 - Only if a beneficiary's approved lump sum shares for RP1 are less than 5% of their max grant, will there be an impact on cash flow

Project structure – Financial considerations: Financial risk

- Prefinancing is not your money – it's the EC's property
- For every WP that is completed within a reporting period and accepted:
 - **Income is secured!**
 - => Reduced financial risk
- The more of your lump sum shares are approved for RP1, the more your financial risk is reduced after RP1

Project management concepts, methods and tools

- Project management – a discipline in its own right
- Useful concepts and tools



Project management concepts, methods and tools – Short explanations

- Dependencies
 - Does this task depend on one or more other tasks?
- Slack / Float
 - The time a task can be delayed without impacting other tasks or the project as a whole
- Lag
 - The earliest time at which a task can start following another on which it depends
- Lead time
 - The total time it takes to complete a task
 - It may also refer to scheduled (planned) time overlap between a task and a successor task
- Critical Path
 - The longest sequence of tasks that must be executed to complete a project
 - A delay along this line (sequence) will cause a delay to the entire project
- Project scope – Is this part of the project?
 - i.e., is this part of a defined Task in Annex 1 to the Grant Agreement?

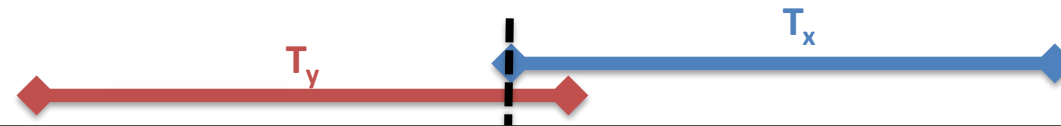
Dependencies (1)

- What are dependencies in projects?
 - The completion of one task depends on the completion of another
- Different kinds of dependencies

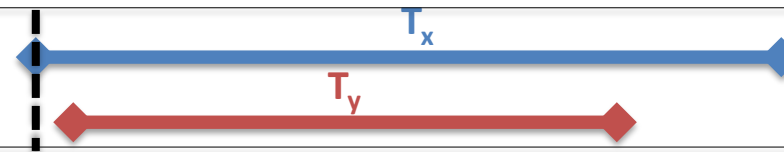
- Finish-to-Start:
 - T_y can't start before T_x has finished



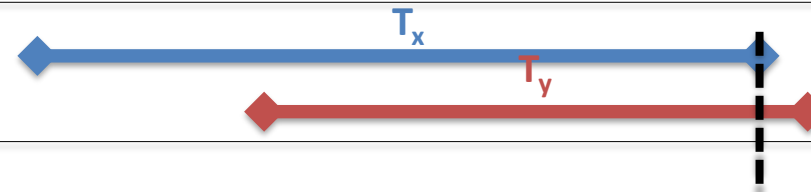
- Start-to-Finish:
 - T_y can't finish before T_x has started



- Start-to-Start:
 - T_y can't start before T_x has started



- Finish-to-Finish:
 - T_y can't finish before T_x has finished

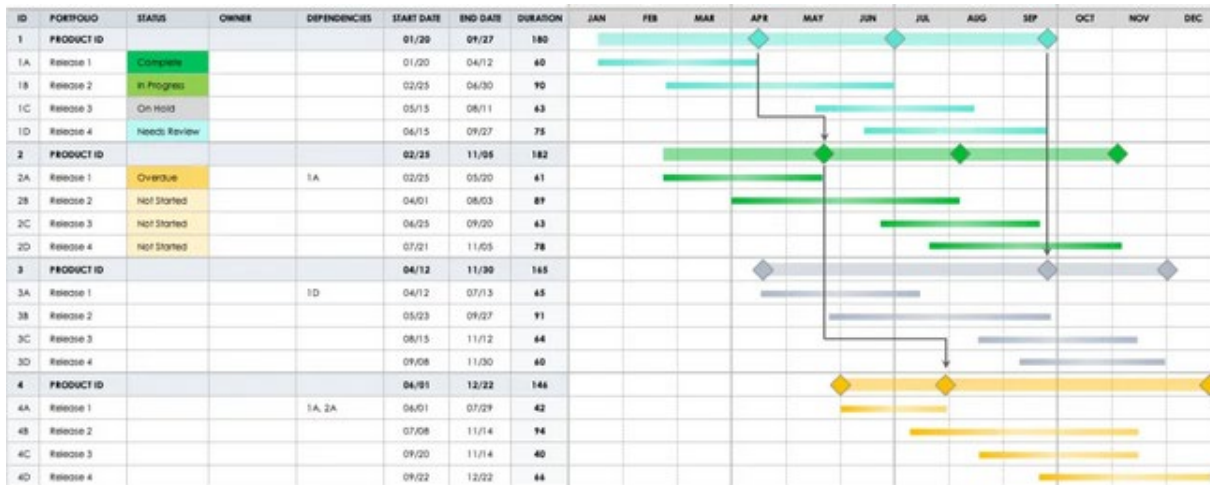


Dependencies (2)

- What to do about them?
- Identify all potential dependencies
- Analyse their potential impacts
- Any dependencies between WPs?
 - Particularly relevant for lump sum projects
 - Implementation/performance issues in one WP may impact other WPs
 - Consider redesigning the project structure
 - Reducing cross-WP dependencies
- Dependencies involving "unknown" participants (beneficiaries / associated partners)?
 - Monitor these more closely
 - Have a Plan B prepared

Gantt charts vs. PERT charts

Gantt chart



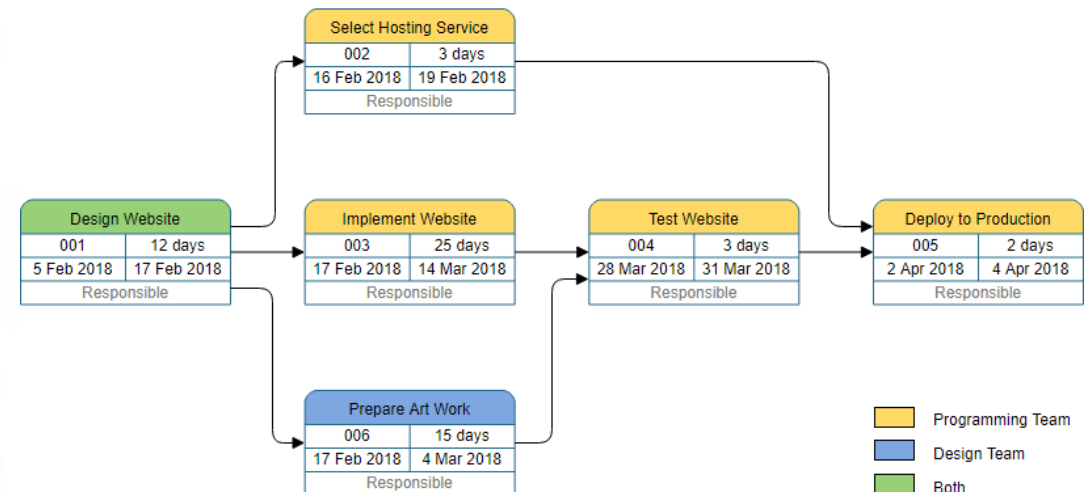
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Timeline

Displays tasks and milestones on a time scale
May also display dependencies

PERT chart

(Programme Evaluation and Review Technique)



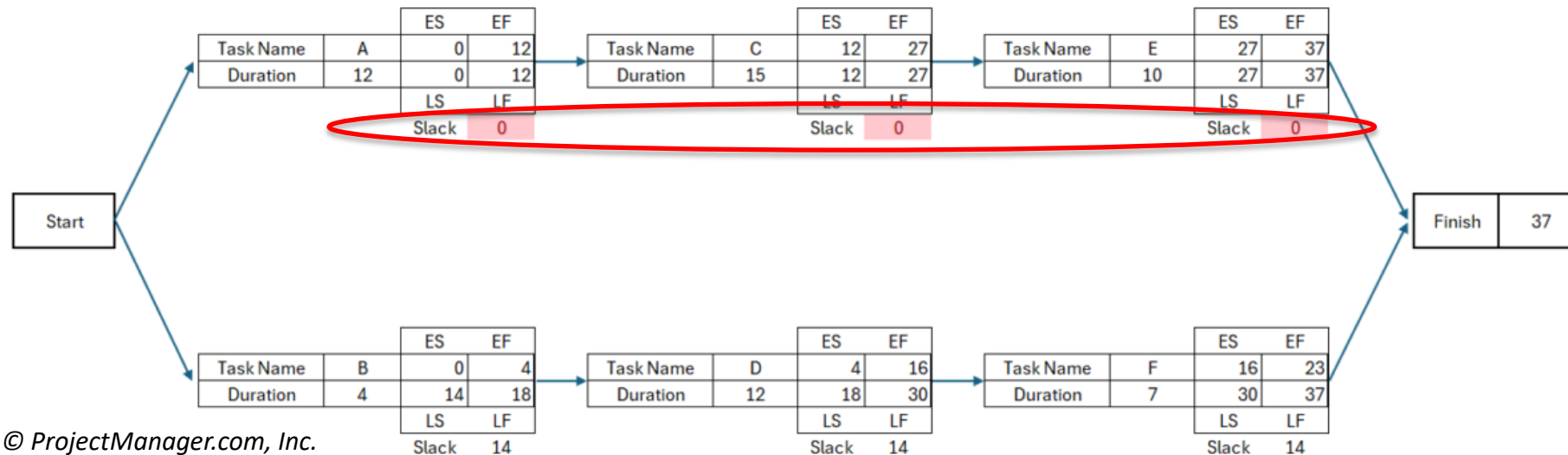
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Network diagram

Displays sequence of tasks, no time scale
Focus on dependencies
Start, duration and finish may be indicated

Critical Path Method (CPM)

- The longest sequence of tasks that must be executed to complete a project
- Any delay along this line (sequence) will cause a delay to the entire project



- No slack along this sequence of tasks

$$LF - EF = 0$$

LF: Latest Finish

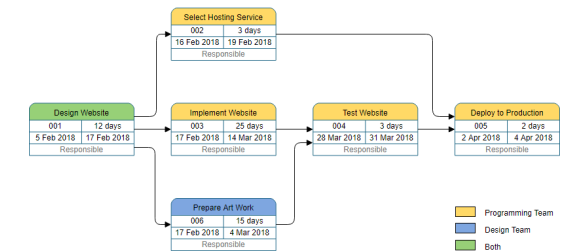
EF: Earliest Finish

Use of project management methods and tools

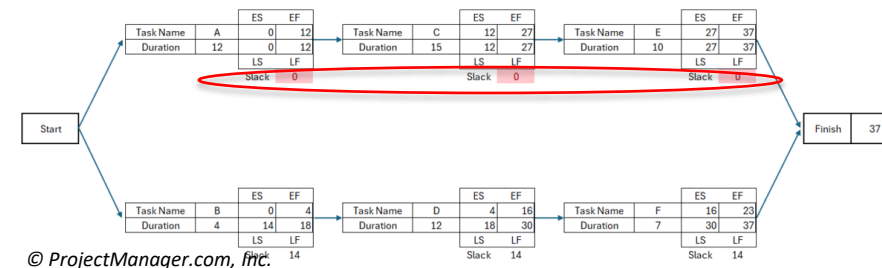
- Use for planning (project proposal)
- Use for monitoring
 - Is progress according to plan?
 - Analysis of implications of any deviations
 - Any relevant dependencies?
 - Is this deviation on the critical path?
 - Any likely delays due to this deviation?
 - Any impacts on quality?
 - Any financial implications?
 - Contingency planning
 - Adapting your plan to deal with incurred issue



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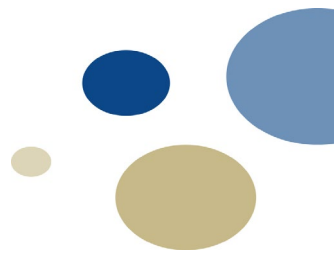


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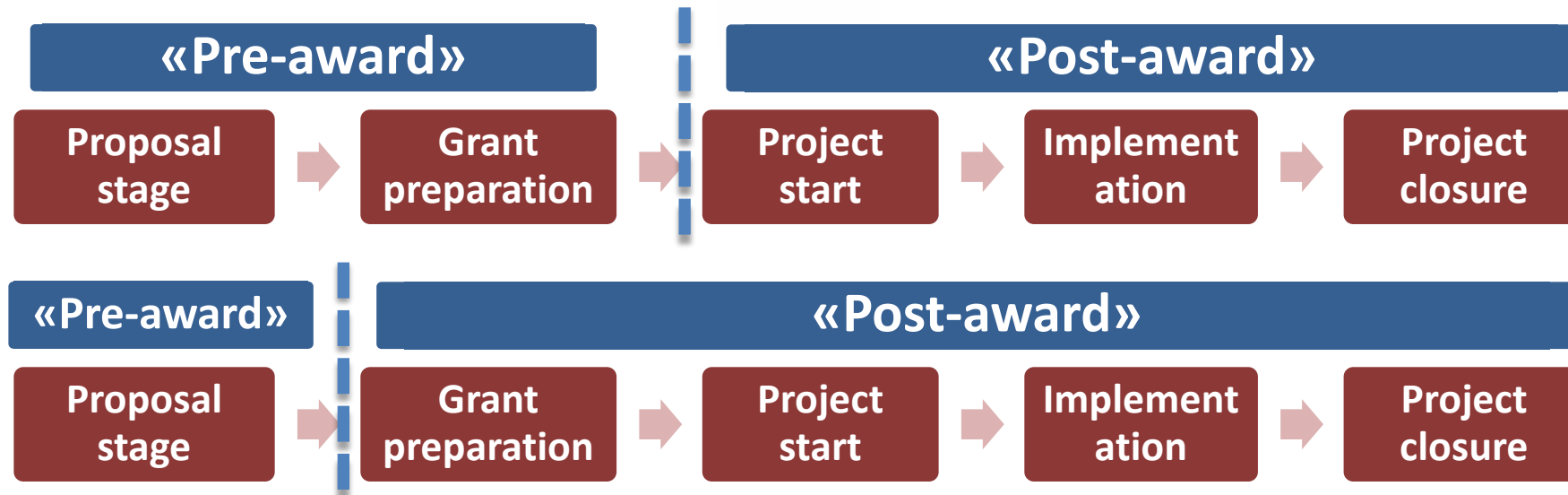
How to manage lump sum funding throughout the project life cycle



- Project management may be viewed from different perspectives
 - Rules-based approach?
 - What are the rules we need to follow?
 - The perspective of disciplines or project subject
 - e.g., construction project vs. basic/fundamental research
 - Approach depending on project objectives
 - e.g., developing new knowledge, vs. generating profit
 - Project life-cycle
 - What do we need to take care of – from start to finish?
- Project life-cycle
 - The primary point of departure of this presentation
 - Adapted to the key stages of externally funded research & innovation projects

The project life cycle – Research & Innovation projects

- The project life-cycle
- Adapted to and fit for research & innovation projects
 - Funded by external grants
- Each stage defined by tasks that must be completed at that stage
- "Pre-award" vs. "Post-award"
 - Different definitions in practice regarding the dividing line between pre- and post-award



The proposal stage

- Consortium composition
- Project structure
- Identification of dependencies
- Risk assessment and management
- Budgeting suggestions
 - Flexible and dynamic budget simulations
 - Efficient conversion to lump sum budget table format
- The personnel cost dashboard for lump sum evaluations
- Proactive explanation and justification of costs outside "normal" / expected bands
- Use the "Comments" cell in the budget table proactively to explain and justify costs



Consortium composition

- Any "unknown" participants (beneficiaries or associated partners)?
- Potential element of risk?
- Risk assessment
 - Need to assess their ability and motivation to deliver
 - Contacts who know them and/or have worked with them?
 - Evidence from previous work (track record)
- Risk management, if uncertainty remains
 - Payment schedule – phased instalments
 - Dedicated WP(s) for this beneficiary?
 - Low involvement and lump sum shares for other beneficiaries
 - And vice versa
 - Closer, more detailed and more frequent monitoring of progress and quality



Proposal development and budgeting

- Accurate budget allocation much more important for lump sum projects
 - Between WPs and between beneficiaries
- Mutual understanding of what it takes to complete a WP is crucial
 - Resources, time, amount of effort (work), costs
 - Close dialogue between researcher, research/project manager and project controller (project financial staff) is highly beneficial
- Budgeting for lump sum proposals tends to require more time and effort
 - Need for higher quality and precision
 - Budget changes during the implementation stage easier said than done
 - Linking resources and costs to WPs more important for lump sum projects
 - Completing the detailed lump sum budget form (table) takes time
- While the EU states that the consortium is free to distribute the funding as it sees fit,
 - Beneficiaries tend to be reluctant to "give away" any part of their budget

Budget calculation tool – or budget form?

Coordinator: BE1 - BUDGET SHEET

COST CATEGORY	BE1 name		
	ITEMS	COST PER ITEM	BE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A.1 Employees (or equivalent)			
SENIOR SCIENTISTS (or equivalent in the private sector)			0,00
JUNIOR SCIENTISTS (or equivalent in the private sector)			0,00
TECHNICAL PERSONNEL (or equivalent in the private sector)			0,00
ADMINISTRATIVE PERSONNEL (or equivalent in the private sector)			0,00
OTHERS			0,00
A.2 Natural Persons under direct contract			0,00
A.3 Seconded Persons			0,00
A.4 SME owners and natural person beneficiaries		8745,40	0,00
B. DIRECT SUBCONTRACTING COSTS			0,00
C. DIRECT PURCHASE COSTS			
C.1 Travel and subsistence			0,00
C.2 Equipment (complete 'Depreciation costs' sheet)			
Equipment			0,00
Infrastructure			0,00
Other assets			0,00
C.3 Other goods, works and services			
Consumables			0,00
Services for meetings, seminars			0,00
Services for dissemination activities (including website)			0,00
Publication fees			0,00
Other (shipment, insurance, translation, etc.)			0,00
D. OTHER COST CATEGORIES			
D.1 Financial support to third parties (if applicable in the topic specific conditions)			0,00
D.2 Internally invoiced goods and services			0,00
D.3 Transnational access to research infrastructure unit costs (if mentioned as eligible in the topic specific conditions)			0,00
D.4 Virtual access to research infrastructure unit costs (if mentioned as eligible in the topic specific conditions)			0,00
D.5 PCP/PPI procurement costs (if mentioned as eligible in the topic specific conditions)			0,00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A+C)			0,00
TOTAL DIRECT COSTS (A+B+C+D)			0,00
E. INDIRECT COSTS (25% * (A+C))			0,00
F. TOTAL COSTS (A+B+C+D+E)			0,00

- EU budget table: Only one line per cost category
- You may have several items in this category – at different costs
- These costs cannot be calculated here
- This applies to both versions – the Excel file and the web form

The EU lump sum budget table

Excel version

Coordinator: BE1 - BUDGET SHEET		View Summary	
		BE1 name	
COST CATEGORY	ITEMS	COST PER ITEM	BE TOTAL COSTS
COSTS WORK PACKAGE 1: WP1 name			
A. DIRECT PERSONNEL COSTS			
A.1 Employees (or equivalent)			
SENIOR SCIENTISTS (or equivalent in the private sector)	1,0	11227	11227,41
JUNIOR SCIENTISTS (or equivalent in the private sector)			0,00
TECHNICAL PERSONNEL (or equivalent in the private sector)			0,00
ADMINISTRATIVE PERSONNEL (or equivalent in the private sector)			0,00
OTHERS			0,00
A.2 Natural Persons under direct contract			0,00
A.3 Seconded Persons			0,00
A.4 SME owners and natural person beneficiaries		8745,40	0,00
B. DIRECT SUBCONTRACTING COSTS			
C. DIRECT PURCHASE COSTS			
C.1 Travel and subsistence			
C.2 Equipment (complete 'Depreciation costs' sheet)			
Equipment	1,0	100000	100000,05
Infrastructure			0,00
Other assets			0,00
C.3 Other goods, works and services			
Consumables			0,00
Services for meetings, seminars			0,00
Services for dissemination activities (including website)			0,00
Publication fees			0,00
Other (shipment, insurance, translation, etc.)			0,00
D. OTHER COST CATEGORIES			
D.1 Financial support to third parties (if applicable in the topic specific conditions)			0,00
D.2 Internally invoiced goods and services			0,00
D.3 Transnational access to research infrastructure unit costs (if mentioned as eligible in the topic specific conditions)			0,00
D.4 Virtual access to research infrastructure unit costs (if mentioned as eligible in the topic specific conditions)			0,00
D.5 PCP/PPI procurement costs (if mentioned as eligible in the topic specific conditions)			0,00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A+C)			111227,46
TOTAL DIRECT COSTS (A+B+C+D)			111227,46
E. INDIRECT COSTS (25% * (A+C))			27806,87
F. TOTAL COSTS (A+B+C+D+E)			139034,33

Web form version

As of March 2026. Topic HORIZON-CL5-2026-05-D5-12

A. Direct personnel costs

A.1 Employees (or equivalent) (a1) *

Senior Scientists (or equivalent in the private sector)

person month x 1 € = 48,000 €

Junior Scientists (or equivalent in the private sector)

person month x 6 € =

Technical Personnel (or equivalent in the private sector)

person month x 0 € =

Administrative Personnel (or equivalent in the private sector)

person month x 0 € =

Others

person month x 0 € =

Notice input field sizes. Insufficient space to display numbers

The web-based lump sum budget table in Part A: Max width on 14" laptop monitor – Scaled down for presentation

A. Direct personnel costs

A.1 Employees (or equivalent) (a1) *

355,000 €

Senior Scientists (or equivalent in the private sector)

4 person month x 12 € =

50, ... €

Junior Scientists (or equivalent in the private sector)

3 person month x 7,1 € =

225... €

Technical Personnel (or equivalent in the private sector)

8,1 person month x 8,1 € =

80, ... €

Notice input field sizes. Insufficient space to display numbers

The web-based lump sum budget table in Part A: Width required to see 5-digit unit costs – Scaled down for presentation

A. Direct personnel costs

A.1 Employees (or equivalent) (a1) *

Senior Scientists (or equivalent in the private sector)

$$* \quad 4 \text{ person month} \quad \times \quad * \quad 12,500 \text{ €} \quad = \quad 50,000 \text{ €}$$

Junior Scientists (or equivalent in the private sector)

$$* \quad 30 \text{ person month} \quad \times \quad * \quad 7,500 \text{ €} \quad = \quad 225,000 \text{ €}$$

Technical Personnel (or equivalent in the private sector)

$$* \quad 10 \text{ person month} \quad \times \quad * \quad 8,000 \text{ €} \quad = \quad 80,000 \text{ €}$$

Administrative Personnel (or equivalent in the private sector)

$$* \quad 0 \text{ person month} \quad \times \quad * \quad 0 \text{ €} \quad = \quad 0 \text{ €}$$

Others

$$* \quad 0 \text{ person month} \quad \times \quad * \quad 0 \text{ €} \quad = \quad 0 \text{ €}$$

A.2 Natural persons under direct contract (a2) *

Natural persons under direct contract

$$* \quad 0 \text{ person month} \quad \times \quad * \quad 0 \text{ €} \quad = \quad 0 \text{ €}$$

A.3 Seconded persons (a3) *

Secoded persons

$$* \quad 0 \text{ person month} \quad \times \quad * \quad 0 \text{ €} \quad = \quad 0 \text{ €}$$

A.4 SME owners and natural person beneficiaries (a4) *

SME owner/Natural person costs

$$* \quad 0 \text{ person month} \quad \times \quad * \quad 11,7 \dots \text{ €} \quad = \quad 0 \text{ €}$$

355,000 €

0 €

0 €

0 €

Notice input field sizes. Insufficient space to display 5-digit numbers w/ 2 decimals

Using the web-based lump sum budget table in Part A (1)

- Similar structure to the Excel table, in terms of cost categories
 - leaving out some cost categories when they are not relevant for the call/topic
 - Test results so far:
 - There may be a time lag when entering data
 - Pace yourself when entering data
 - If you are too fast, you will have to stop and enter missing data
 - Copy and paste works fine – but pay attention if you have numbers with decimals (more on this below)
 - This may help you save time when entering data into the web form
 - Do your calculations in Excel first, then copy to Part A
 - Necessary to use a wide monitor (screen) area or zoom out quite a bit
 - If not, fields tend to be too small to display realistic and usual amounts
 - Was the whole amount recorded in the system?
 - Did I enter the whole amount?
 - Not suitable for smaller monitors
- Scaled down from web display on wide monitor:

$$4 \text{ person month} \times 11,227.41 \text{ €} = 44,909.64 \text{ €}$$

A. Direct personnel costs

A.1 Employees (or equivalent) (a1) *				355,000	€
Senior Scientists (or equivalent in the private sector)	4	person month	x	12,500	€ = 50,000
Junior Scientists (or equivalent in the private sector)	30	person month	x	7,500	€ = 225,000
Technical Personnel (or equivalent in the private sector)	10	person month	x	8,000	€ = 80,000
Administrative Personnel (or equivalent in the private sector)	0	person month	x	0	€ = 0
Others	0	person month	x	0	€ = 0
A.2 Natural persons under direct contract (a2) *				0	€
Natural persons under direct contract	0	person month	x	0	€ = 0
A.3 Seconded persons (a3) *				0	€
Seconded persons	0	person month	x	0	€ = 0
A.4 SME owners and natural person beneficiaries (a4) *				0	€
SME owner/Natural person costs	0	person month	x	11,7 ...	€ = 0

Using the web-based lump sum budget table in Part A (2)

- Test results so far (cont'd):
 - Decimal separator inconsistency
 - Do you calculate costs (e.g., personnel costs from salary data) with 2 decimals, or person months with 1 decimal?
 - Contrary to the Excel template, the budget web form does take its number format from your operating system
 - Decimal separator in the web form: Period (.)
- Who can enter (fill in) the budget table?
 - For the web-based table, each beneficiary can enter their part of the budget
 - All beneficiaries may also add and change WPs
 - These are significant practical differences compared to the Excel file
 - The Coordinator staff should keep an eye on what the beneficiaries have entered
 - Focus on overall consistency, compliance with agreed allocations, and quality assurance
 - Or ask them to leave it to the Coordinator to enter these data
 - Consider what is most efficient. less error prone

A. Direct personnel costs

A.1 Employees (or equivalent) (a1) *				355,000	€	
Senior Scientists (or equivalent in the private sector)	4	person month	x 12,500	€	= 50,000	€
Junior Scientists (or equivalent in the private sector)	30	person month	x 7,500	€	= 225,000	€
Technical Personnel (or equivalent in the private sector)	10	person month	x 8,000	€	= 80,000	€
Administrative Personnel (or equivalent in the private sector)	0	person month	x 0	€	= 0	€
Others	0	person month	x 0	€	= 0	€
A.2 Natural persons under direct contract (a2) *				0	€	
Natural persons under direct contract	0	person month	x 0	€	= 0	€
A.3 Seconded persons (a3) *				0	€	
Seconded persons	0	person month	x 0	€	= 0	€
A.4 SME owners and natural person beneficiaries (a4) *				0	€	
SME owner/Natural person costs	0	person month	x 11,7 ...	€	= 0	€

Calculating lump sum budgets

- Dynamic calculations vs. filling in forms
- The need for and value of a flexible calculation tool
 - Not locked to a fixed number of cost items
 - Allowing you to decide the degree of precision in building the budget
 - It may be as simple as just entering one amount in the EU budget table
 - But how did you arrive at this number?
 - In many cases you need to do several calculations before arriving at the amount that fits in the EU budget table
- Then hopefully an efficient conversion to the EU lump sum budget table format
 - at the end of the process

Dynamic calculation of lump sum budgets

Input

- Enter all data in one table:
 - Personnel
 - Other costs
- As many lines as you need
- Decide degree of precision
- Different costs, new line

Personnel

- What kind of personnel?
- Costs per unit of time

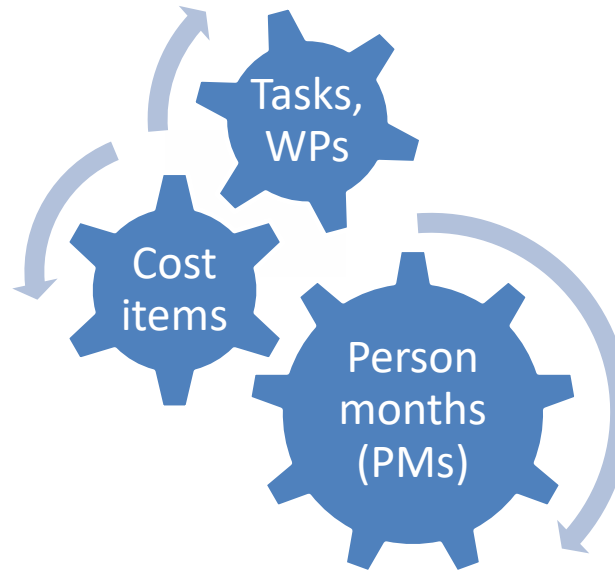
Other resources

- What will be needed?
- Costs

Goods and services

- What kind?
- How much?
- Costs

Dynamic simulations



Output

Coordinator: BE1 - BUDGET SHEET

	ITEMS	COST PER ITEM	RE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A1 Expenses for employees			0.00
— SOCIAL SECURITY (15% for equipment in the private sector)			0.00
— UNEMPLOYMENT (15% for equipment in the private sector)			0.00
— TECHNICAL PERSONNEL (10% for equipment in the private sector)			0.00
— ADMINISTRATIVE PERSONNEL (10% for equipment in the private sector)			0.00
A2 Non-student and other direct contract			0.00
A3 Seconded Person			0.00
A4 SME contract and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. INDIRECT PURCHASE COSTS			
C1 Travel and subsistence			0.00
C2 Equipment (computer, "specification cost" items)			0.00
— Equipment			0.00
— Information			0.00
— Other costs			0.00
C3 Other goods, works and services			0.00
— Consumables			0.00
— Services for meetings, seminars			0.00
— Services for dissemination activities (including webinars)			0.00
— Publication fees			0.00
— Other (software, licenses, consultation etc.)			0.00
D. OTHER COSTS (CONTINUED)			0.00
D1 Unpaid report to third parties (if applicable in the topic specific conditions)			0.00
D2 Involuntary donated goods and services			0.00
D3 Transportation access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D4 Access access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D5 PCV/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (A-C) * (A-C)			0.00
F. TOTAL COSTS (A-F) (A-C)			0.00

Coordinator: BE1 - BUDGET SHEET

	ITEMS	COST PER ITEM	RE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A1 Expenses for employees			0.00
— SOCIAL SECURITY (15% for equipment in the private sector)			0.00
— UNEMPLOYMENT (15% for equipment in the private sector)			0.00
— TECHNICAL PERSONNEL (10% for equipment in the private sector)			0.00
— ADMINISTRATIVE PERSONNEL (10% for equipment in the private sector)			0.00
A2 Non-student and other direct contract			0.00
A3 Seconded Person			0.00
A4 SME contract and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. INDIRECT PURCHASE COSTS			
C1 Travel and subsistence			0.00
C2 Equipment (computer, "specification cost" items)			0.00
— Equipment			0.00
— Information			0.00
— Other costs			0.00
C3 Other goods, works and services			0.00
— Consumables			0.00
— Services for meetings, seminars			0.00
— Services for dissemination activities (including webinars)			0.00
— Publication fees			0.00
— Other (software, licenses, consultation etc.)			0.00
D. OTHER COSTS (CONTINUED)			0.00
D1 Unpaid report to third parties (if applicable in the topic specific conditions)			0.00
D2 Involuntary donated goods and services			0.00
D3 Transportation access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D4 Access access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D5 PCV/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (A-C) * (A-C)			0.00
F. TOTAL COSTS (A-F) (A-C)			0.00

The beneficiary budget

Input

- Salary levels
- Social security contributions
- Expected salary increase
- Non-Euro countries: Expected exchange rate

Personnel

- What kind of personnel?
- Costs per unit of time

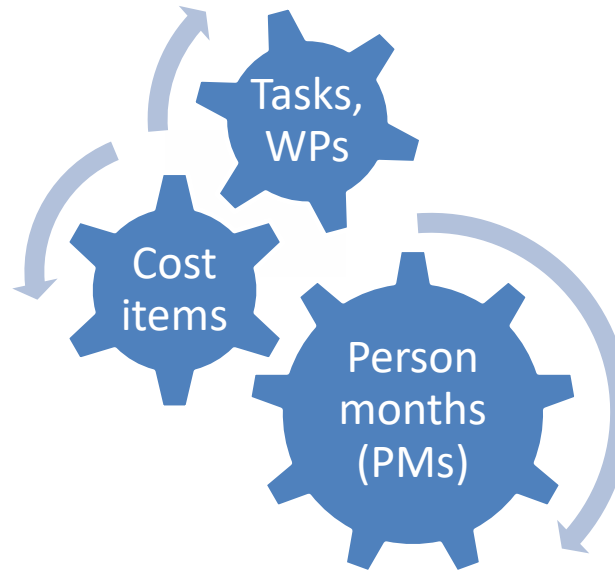
Other resources

- What will be needed?
- Costs

Goods and services

- What kind?
- How much?
- Costs

Dynamic simulations



Output

Coordinator: BE1 - BUDGET SHEET

	ITEMS	COST PER ITEM	RE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A.1 Expenditure on salaries			0.00
— SOCIAL SECURITY (SS) (or equivalent in the private sector)			0.00
— TECHNICAL PERSONNEL (or equivalent in the private sector)			0.00
— ADMINISTRATIVE PERSONNEL (or equivalent in the private sector)			0.00
A.2 Non-salary costs and direct costs			0.00
A.3 Seconded Person			0.00
A.4 S&P costs and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. DIRECT PURCHASE COSTS			
C.1 Travel and subsistence			0.00
C.2 Equipment (computer, "specification cost" items)			0.00
— Equipment			0.00
— Information			0.00
— Other costs			0.00
C.3 Other goods, works and services			0.00
— Conferences			0.00
— Services for meetings, seminars			0.00
— Services for dissemination activities (including website)			0.00
— Publications			0.00
— Other (computer, hardware, consumables, etc.)			0.00
D. OTHER COST CATEGORIES			0.00
D.1 Unavoidable support to third parties (if applicable in the topic specific conditions)			0.00
D.2 Inevitably incurred goods and services			0.00
D.3 Transportation costs to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D.4 Other costs to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D.5 R&D/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (SS+I+M+O)			0.00
F. TOTAL COSTS (A+B+C+D+E+F)			0.00

Coordinator: BE1 - BUDGET SHEET

	ITEMS	COST PER ITEM	RE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A.1 Expenditure on salaries			0.00
— SOCIAL SECURITY (SS) (or equivalent in the private sector)			0.00
— TECHNICAL PERSONNEL (or equivalent in the private sector)			0.00
— ADMINISTRATIVE PERSONNEL (or equivalent in the private sector)			0.00
A.2 Non-salary costs and direct costs			0.00
A.3 Seconded Person			0.00
A.4 S&P costs and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. DIRECT PURCHASE COSTS			
C.1 Travel and subsistence			0.00
C.2 Equipment (computer, "specification cost" items)			0.00
— Equipment			0.00
— Information			0.00
— Other costs			0.00
C.3 Other goods, works and services			0.00
— Conferences			0.00
— Services for meetings, seminars			0.00
— Services for dissemination activities (including website)			0.00
— Publications			0.00
— Other (computer, hardware, consumables, etc.)			0.00
D. OTHER COST CATEGORIES			0.00
D.1 Unavoidable support to third parties (if applicable in the topic specific conditions)			0.00
D.2 Inevitably incurred goods and services			0.00
D.3 Transportation costs to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D.4 Other costs to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D.5 R&D/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (SS+I+M+O)			0.00
F. TOTAL COSTS (A+B+C+D+E+F)			0.00

The consortium budget – The Coordinator tool

Input

Dynamic simulations

Output

Beneficiaries

Personnel

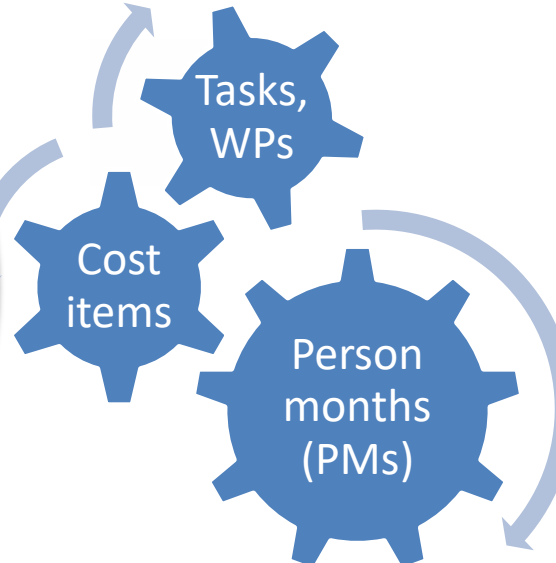
- What kind of personnel?
- Costs per unit of time

Other resources

- What will be needed?
- Costs

Goods and services

- What kind?
- How much?
- Costs



Coordinator: BE1 - BUDGET SHEET

	ITEMS	COST PER ITEM	BE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A1 Expenses for employees			0.00
— SOCIAL SECURITY (SS) (or equivalent in the private sector)		0.00	0.00
— UNEMPLOYMENT BENEFIT (UB) (or equivalent in the private sector)		0.00	0.00
— TECHNICAL PERSONNEL (TP) (or equivalent in the private sector)		0.00	0.00
— ADMINISTRATIVE PERSONNEL (AP) (or equivalent in the private sector)		0.00	0.00
A2 Non-student and other direct contract			0.00
A3 Seconded Person			0.00
A4 S&P members and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. INDIRECT PURCHASE COSTS			
C1 Travel and subsistence			0.00
C2 Equipment (computer, "specification cover" items)			0.00
— Equipment			0.00
— Information			0.00
C3 Other goods, works and services			0.00
— Conferences			0.00
— Invitations for meetings, seminars			0.00
— Invitations for dissemination activities (including webinars)			0.00
— Publications			0.00
— Other (software, hardware, consultation etc.)			0.00
D. OTHER COST CATEGORIES			
D1 Unavoidable paper in third parties (if applicable in the topic specific conditions)			0.00
D2 Inevitably involved goods and services			0.00
D3 Transportation access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D4 Access access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D5 R&D/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (GHI-J)			0.00
F. TOTAL COSTS (A+B+D+E+G+H+I+J)			0.00

Coordinator: BE1 - BUDGET SHEET

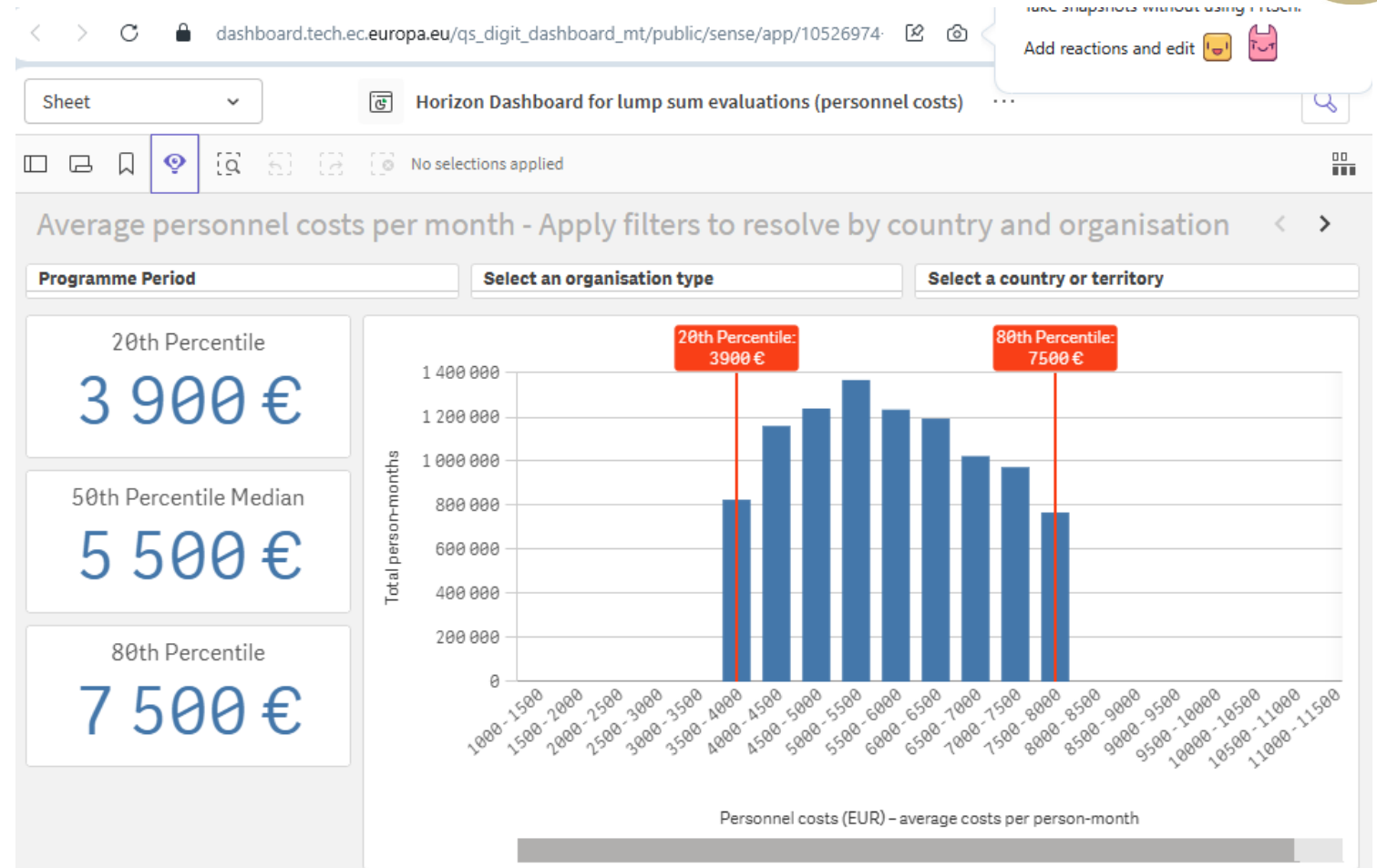
	ITEMS	COST PER ITEM	BE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A1 Expenses for employees			0.00
— SOCIAL SECURITY (SS) (or equivalent in the private sector)		0.00	0.00
— UNEMPLOYMENT BENEFIT (UB) (or equivalent in the private sector)		0.00	0.00
— TECHNICAL PERSONNEL (TP) (or equivalent in the private sector)		0.00	0.00
— ADMINISTRATIVE PERSONNEL (AP) (or equivalent in the private sector)		0.00	0.00
A2 Non-student and other direct contract			0.00
A3 Seconded Person			0.00
A4 S&P members and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. INDIRECT PURCHASE COSTS			
C1 Travel and subsistence			0.00
C2 Equipment (computer, "specification cover" items)			0.00
— Equipment			0.00
— Information			0.00
C3 Other goods, works and services			0.00
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— Publications			0.00
— Other (software, hardware, consultation etc.)			0.00
D. OTHER COST CATEGORIES			
D1 Unavoidable paper in third parties (if applicable in the topic specific conditions)			0.00
D2 Inevitably involved goods and services			0.00
D3 Transportation access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
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D5 R&D/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (GHI-J)			0.00
F. TOTAL COSTS (A+B+D+E+G+H+I+J)			0.00

Coordinator: BE1 - BUDGET SHEET

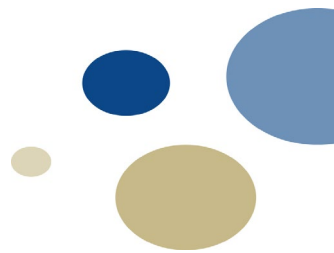
	ITEMS	COST PER ITEM	BE TOTAL COSTS
A. DIRECT PERSONNEL COSTS			
A1 Expenses for employees			0.00
— SOCIAL SECURITY (SS) (or equivalent in the private sector)		0.00	0.00
— UNEMPLOYMENT BENEFIT (UB) (or equivalent in the private sector)		0.00	0.00
— TECHNICAL PERSONNEL (TP) (or equivalent in the private sector)		0.00	0.00
— ADMINISTRATIVE PERSONNEL (AP) (or equivalent in the private sector)		0.00	0.00
A2 Non-student and other direct contract			0.00
A3 Seconded Person			0.00
A4 S&P members and national person beneficiaries			0.00
B. INDIRECT SUBCONTRACTING COSTS			0.00
C. INDIRECT PURCHASE COSTS			
C1 Travel and subsistence			0.00
C2 Equipment (computer, "specification cover" items)			0.00
— Equipment			0.00
— Information			0.00
C3 Other goods, works and services			0.00
— Conferences			0.00
— Invitations for meetings, seminars			0.00
— Invitations for dissemination activities (including webinars)			0.00
— Publications			0.00
— Other (software, hardware, consultation etc.)			0.00
D. OTHER COST CATEGORIES			
D1 Unavoidable paper in third parties (if applicable in the topic specific conditions)			0.00
D2 Inevitably involved goods and services			0.00
D3 Transportation access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D4 Access access to research infrastructure and costs (if mentioned as eligible in the topic specific conditions)			0.00
D5 R&D/PM procurement costs (if mentioned as eligible in the topic specific conditions)			0.00
TOTAL DIRECT PERSONNEL COSTS AND PURCHASE COSTS (A-C)			0.00
TOTAL DIRECT COSTS (A-E)			0.00
F. INDIRECT COSTS (GHI-J)			0.00
F. TOTAL COSTS (A+B+D+E+G+H+I+J)			0.00

The personnel cost dashboard for lump sum evaluations (1)

- The dashboard may be accessed here:
 - <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon/lump-sum/dashboard>



The personnel cost dashboard for lump sum evaluations (2)



- May be filtered (broken down) by country and type of organisation
- Based on data from granted projects
- Default time horizon: Grants awarded 2022 – quite recently
 - If limited data are available for your selection, data for 2018 – 2021 may be added
- Salary increases not fully reflected in these data
 - For the period after the Grant Agreements were signed (depending on how these budgets were estimated)
 - Forward increases, for the implementation period of your project
- Data displayed for 20th percentile, median and 80th percentile
- Check your estimated costs per PM (person month) against the dashboard
 - If your costs appear comparatively high, explain/justify in the "Comments" field

The GAP (Grant Agreement preparation) stage

- The Grant Agreement (GA)
 - Changes of items in the proposal may be required
 - due to errors or or ensure compliance with relevant rules
- The budget for the Grant Agreement (GA)
 - Budget items may have to be explained and/or justified
 - There may be budget cuts, if indicated in the Evaluation Result Report
- Crucial aspects of the Consortium Agreement (CA)
 - Internal monitoring of progress and quality within the consortium
 - Risk monitoring, assessment and management
 - Liability between beneficiaries in case of lacking performance
 - Payment mode



Key lump sum provisions of the DESCAs template (1)

- DESCAs Model Consortium Agreement (CA)
 - Latest version as of now: DESCAs HE 2.1. Published 26 February 2026
- Key issues:
 - Internal reporting and monitoring of progress
 - Payment mode
 - Managing implications of underperformance
- Responsibilities of Parties (Section 4)
 - Section 4.5 Specific responsibilities regarding reporting and implementation
 - Internal Progress Reports
 - Compulsory internal deliverable
 - Key instrument to facilitate internal monitoring
 - No template provided. Each consortium must agree on what it should contain.
 - A potentially useful AI exercise
 - Implications of failure to complete tasks for WPs
 - Procedure for trying to rescue the WP and the project
 - Consequences for an underperforming Party



Key lump sum provisions of the DESCA template (2)

- Governance structure (Section 6)
 - Additional tasks related to internal reporting and monitoring
 - Identification of relevant consortium bodies for these tasks
 - GOV SP (Small projects)
 - Work Package Leaders Group,
 - » This is a consortium body recommended for lump sum projects only
 - General Assembly
 - GOV LP (Large projects)
 - Executive Board,
 - General Assembly
- Financial provisions (Section 7)
 - Reporting obligations concerning WP completion and proper implementation
 - Excess payments resulting from underperformance
 - Payment mode
 - Only one option indicated for lump sum projects
 - This option is similar in principle to option 1 for actual cost grants – i.e., dividing the prefinancing into staggered instalments
 - Stronger leaning towards the Coordinator retaining prefinancing back to a larger degree and for longer
- Sections 4, 5 and 7: Liability in case of lacking or improper implementation by a Party
 - Financial compensation to other Parties
 - May also concern spillover effects for other WPs, due to task dependencies

Project start (1)

- Establishing a collaborative atmosphere and good working relationships
- Engage all Parties as active contributors at the Kick-off meeting
- Ensure that all participants know the overall project and their role and contributions
- Establishing the appropriate consortium bodies
 - Based on the CA (Consortium Agreement)
 - How to implement in practice the consortium bodies that are defined in the CA
 - Adapted to the governance needs of lump sum funding



Project start (2)

- Agree on internal management/governance procedures fit for lump sum funding
 - How to implement in practice any such procedures that are defined in the CA
 - Consider whether any additional governance procedures should be established
- Agree on monitoring procedures within the consortium
 - How to implement in practice the monitoring procedures that are defined in the CA
 - Should any additional monitoring procedures be defined and established?
- Internal reporting
 - Agree on what to report
 - Agree on template



The project implementation stage – Overview

- Documentation of implementation of activities
- Consortium monitoring of progress
- Monitoring and management of dependencies
 - Monitor dependencies described in Annex 1
 - Are there any additional dependencies that have appeared after the proposal was submitted?
- Risk assessment and management
- Amendments
 - Possible only for WPs that have not been completed at the time
- Technical EU reporting
 - Expect more detailed questions and reviews
- Technical reviews
- Technical audits



The project implementation stage – Monitoring

- Consortium monitoring of progress
- What to monitor?
 - Progress
 - Quality
 - Obstacles
 - Deviations from the plan
 - Risks
- Are there any reasons to monitor costs?
 - No financial reporting, more thorough technical reporting
 - But keep an eye on risks related to beneficiaries "running out of money" early
- Internal Progress Report
 - Using template agreed by the consortium
- Monitoring and management of dependencies
 - Monitor dependencies described in Annex 1
 - Are there any additional dependencies that have appeared after the proposal was submitted?



The project implementation stage – Internal Progress Report

- Outline for report template
- Disclaimer:
 - This example is generated by using AI

- ⊕ [1. Executive Summary for Consortium Steering](#)
- ⊕ [2. Consortium Contribution Overview](#)
- ⊕ [3. Work Package Status \(Consortium Level\)](#)
- ⊕ [4. Lump Sum Completion Readiness \(Internal Claim Logic\)](#)
- ⊕ [5. Deliverables and Milestones Tracking](#)
- ⊕ [6. Partner-Level Progress Notes](#)
- ⊕ [7. Interdependencies and Cross-Partner Coordination](#)
- ⊕ [8. Risks, Issues and Change Requests](#)
 - ⊕ [8.1 Consortium Risk Matrix](#)
 - ⊕ [8.2 Issues / blockers](#)
 - ⊕ [8.3 Potential changes requiring amendment](#)
- ⊕ [9. Governance and Decisions](#)
- ⊕ [10. Dissemination, Communication and Exploitation](#)
- ⊕ [11. Ethics, Data, Open Science and Compliance](#)
- ⊕ [12. Plan for the Next Period](#)
- ⊕ [13. Internal Evidence Register](#)
- ⊕ [14. Coordinator Submission Checklist](#)

Reporting and payment (1)

- Use the **standard reporting template**
- The coordinator declares work packages as **Completed** or **Not Completed**. This should be justified by the technical periodic report.
- An incomplete work package can be completed and paid in a subsequent reporting period.
- At the final reporting period, it is possible to declare **Partially Completed** work packages, and to enter the percentage of completion.

Status of completion SAVE

Number	Title	Lead Beneficiary	Status of Completion	Completion %
WP1	wp1	AST GmbH	Partially Completed	60.00
WP2	wp2	AAA	Completed	100.00
WP3	wp3	AST GmbH	Partially Completed	50.00
WP4	wp4	AAA	Not Completed	0.00
WP5	wp5	AST GmbH	Not Completed	0.00

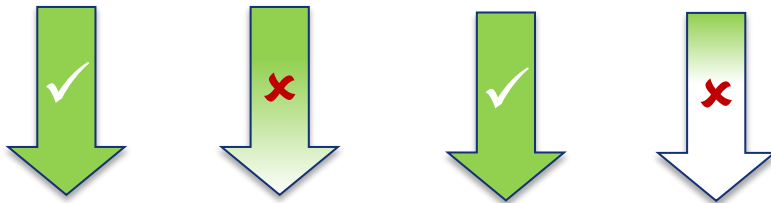


The completion of work packages is not based on a successful outcome, but on the **completion of activities** as described in the description of action.

Reporting and payment (2)

- The financial report is much **simplified** and to a large extent automated.
- The financial statement for all beneficiaries is **automatically generated** (based on the accepted work packages and the corresponding lump sum shares).

	WP1	WP2	WP3	WP4	WP5
Beneficiary A	250.000			50.000	300.000
Beneficiary B		250.000	350.000	50.000	
Beneficiary C	100.000	100.000		50.000	
Beneficiary D		120.000		50.000	
Total	350.000	470.000	350.000	200.000	300.000



$$\text{Payment} = 350\,000 + 0 + 350\,000 + 0 = 700\,000 \text{ €}$$

Interim payments pay the lump sum shares for completed work packages.

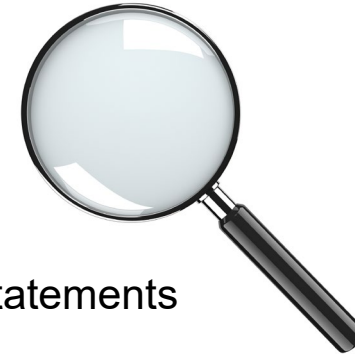
Final payments can also pay partially completed work packages.

Monitoring without reporting of actual costs

- Questions:
- Would you recommend maintaining the same kind of internal project accounting for lump sum projects as for actual cost grants projects?
- Does your organisation use timesheets for actual costs grant projects?
- Will time records for lump sum projects be the same as for actual cost grant projects in your organisation?
- As the coordinating entity, would you still be in favour of some sort of financial reporting by the participants to the Coordinator?
 - i.e., some financial monitoring?

"No financial checks, reviews and audits by EU services"?

- This is what has been repeatedly stated in presentations by EU representatives
- To what extent does this hold in practice?
- Cf. Article 25 of the Lump sum MGA (Model Grant Agreement)
 - Financial audits may be carried out by :
 - ECA – European Court of Auditors
 - OLAF – European Anti-Fraud Office
 - EPPO – European Public Prosecutor's Office
 - This would not necessarily be an audit of actual costs for the project as such
 - Documentation to be provided includes complete accounts and individual salary statements
- ECA audits of lump sum projects
 - However, it remains to be seen how the ECA will audit a lump sum project
 - The ECA has in audits of lump sum projects funded by other EU programmes deemed lump sum calculations to be incorrect
 - No funding cuts for the audited entity – but very time-consuming and costly in terms of personnel time and costs
- Also, a recent experience reported by a beneficiary in a lump sum project:
 - The EU PO (Project Officer) stated that the Report on Cumulative Expenditure had to be provided after RP1 (reporting period 1)
 - To be used in case of reporting periods exceeding 18 months
 - However: Should not be applicable to lump sum projects!
 - Error on the part of the PO? Or inconsistent rules?



Project closure

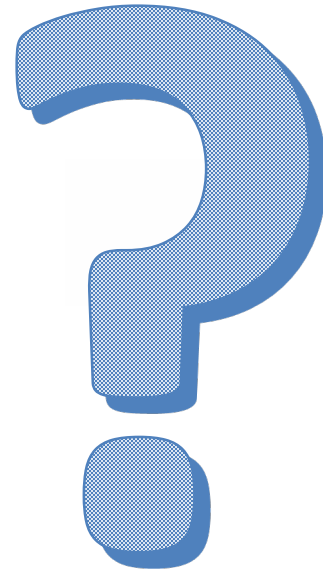
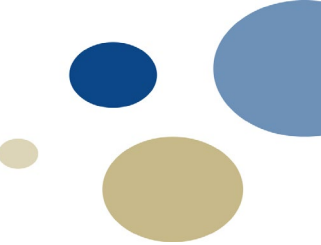
- Are all WPs completed?
- In case of any partially completed WPs:
 - How much is done – how many % complete?
 - What happened?
 - Whose responsibility is this?
 - Are all participants in agreement on this?
 - Does the Granting Authority accept the degree (%) of completion?
 - What is the calculated lump sum (funding) cut?
 - What is the cut in lump sum share per participant (beneficiary or affiliated entity)?
 - Should one or more participants provide financial compensation to other participant(s)?

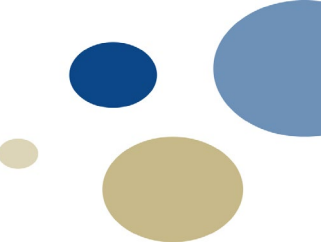
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Total	350.000	470.000	350.000	200.000	300.000

Sources of information

- "Lump sum funding in Horizon Europe"
 - <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/horizon/lump-sum>
 - Collection of information published by the EU
- "How to manage your lump sum grants". Latest version: V.1.4, 15.10.2025.
 - https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/how-to-manage-your-lump-sum-grants_en.pdf
- General Lump Sum Model Grant Agreement (MGA). Latest version: V.1.0 (01.11.2024)
 - https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/agr-contr/ls-mga_en.pdf
- "IGLO in Action. Second IGLO Workshop on Lump Sum Funding - Summary Report". Published 18.03.2024.
 - https://www.kowi.de/en/Portaldata/2/Resources/kowi/Second_IGLO_in_Action_Workshop_on_Lump_Sum_Funding_-_Summary_Report.pdf
- AGA- Annotated Grant Agreement. Latest version: V.2.0, 01.04.2025.
 - https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/aga_en.pdf
- DESCA Model Consortium Agreement (CA). Latest version: DESCA HE 2.1. Published 26.02.2026
 - <https://www.desca-agreement.eu/desca-model-consortium-agreement/>
- "Decision on lump sums for HE and Euratom actions". 07.07.2021.
 - https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/ls-decision_he_en.pdf

Questions?





Thank you for your attention!