



#HorizonEU

THE EU RESEARCH & INNOVATION PROGRAMME

2021 – 2027

LUMP SUM FUNDING

EUROPEAN COMMISSION, DG RTD
Common Implementation Centre

Research and
Innovation

Why do we use lump sum funding?

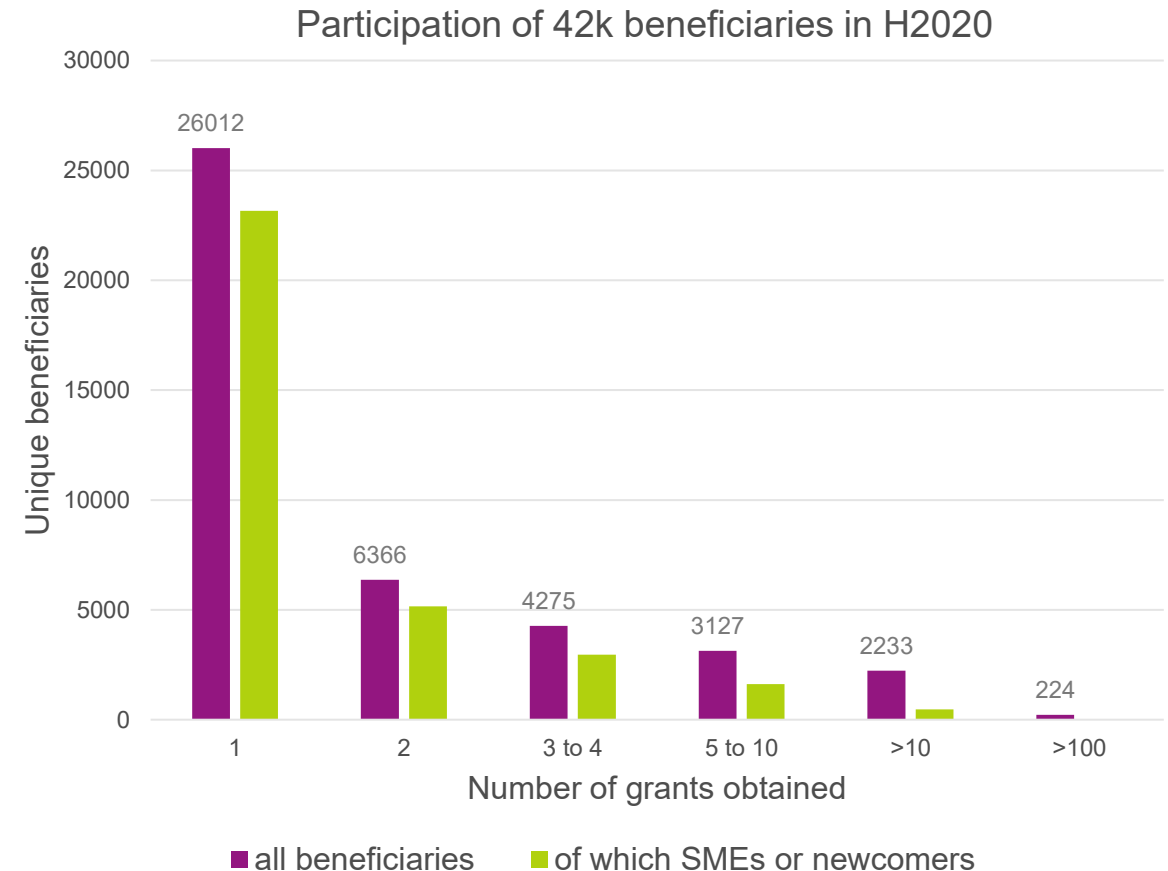
- Significant **simplification** potential
- Focus on **R&I content**
- Reducing the financial **error rate**
- Easier **access** to the programme



Vast majority of beneficiaries have only 1 or 2 grants per programme and need a simple funding model

- Lump sums are **popular**:

Great majority of participants and experts agree that lump sums **reduce administrative burden** and **shift focus to project content**; SMEs and newcomers particularly positive (see [2024 survey](#))



Basic principles

- **Lump sum grants follow the standard approach as much as possible**

Same: templates, evaluation criteria, payment scheme, technical reporting

- **One lump sum share per work package and beneficiary**
- **Very simple financial reporting; no financial audits**
- **Lump sum shares are paid upon completion of work packages**

	WP1	WP2	WP3	WP4	WP5	WP6	WP7	WP8	Total
Beneficiary A	250.000			50.000	300.000	250.000		300.000	1.150.000
Beneficiary B		250.000	350.000	50.000			100.000	150.000	900.000
Beneficiary C	100.000	100.000		50.000		280.000			530.000
Beneficiary D		120.000		50.000			100.000	150.000	420.000
Total	350.000	470.000	350.000	200.000	300.000	530.000	200.000	600.000	3.000.000

Shares of the lump sum per beneficiary

Share of the lump sum per WP

Lump sum = Maximum grant amount

Writing a lump sum proposal

- To write a lump sum proposal, you:
 - use the standard Horizon Europe application form
 - present the objectives and methodology of your project and address the expected outcomes and impacts as in any Horizon Europe proposal
 - describe in detail the activities covered by each work package.
- To define and justify the lump sum, you need to provide a **detailed budget table** with cost estimations.
- The detailed budget table is an **Excel file**. You must download it from the online submission system, fill it and submit it as an annex to the Part B of your application form.

Writing a lump sum proposal: budget details

- In the detailed budget table, you provide **cost estimations for each cost category** per beneficiary (and affiliated entity if any) and per work package.
- The cost estimations must be an **approximation of your actual costs**. They:
 - ✓ are subject to the same eligibility rules as in actual costs grants
 - ✓ must be in line with your normal practices
 - ✓ must be reasonable/not excessive
 - ✓ must be in line with and necessary for your proposed activities.
- **Add explanations/justifications**, as needed, in the “any comments” tab
- The cost estimations are used to generate in the detailed budget table a **breakdown of lump sum shares** per work package and per participant.
- Details and instructions on how to fill in the lump sum detailed budget table are provided on the [Funding & Tenders portal](#).

Project design – Work packages

Work package distribution



As many as needed but no more than what is manageable

A work package (WP) is a major sub-division of the work plan of your project.

- A single activity is not a WP
- A single task is not a WP
- A % of progress is not a WP (e.g. 50 % of the tests)
- A lapse of time is generally not a WP (e.g. activities of year 1)

Work packages with a long duration **may** be split along the reporting periods (e.g. Management, Dissemination and Exploitation, etc.). In this way, the relevant activities can be paid at the end of the reporting period.

6 Splitting WPs is entirely **optional**. It should be used if needed to optimise the cash flow.

Evaluation of a lump sum proposal

- Your proposal will be evaluated by independent experts against the **standard evaluation criteria**: excellence, impact, and implementation.
- The cost estimations will be assessed against the proposed activities under the **implementation** criterion.
- Experts will:
 - ✓ ensure that the cost estimations are **reasonable and non-excessive**
 - ✓ evaluate whether the proposed resources and the split of the lump sum **allow the completion of the activities described in the proposal**.
- Experts must use the **Horizon dashboard for lump sum evaluations** as an orientation to ensure that budgets for personnel costs are reasonable and non-excessive.
- If the experts find overestimated costs, they make **concrete recommendations** on the budget that are recorded in the Evaluation Summary Report. This will be reflected in a modified lump sum amount in the grant agreement.
- Cost estimations that are clearly overestimated or underestimated lead to a **decreased score** under the implementation criterion.

Resources available (lump sums)

One dedicated [lump sum page](#) on the Funding & Tenders Portal with:

Video tutorials

- [Overview of lump sum funding](#)
- [Detailed budget table](#)
- [Horizon dashboard for lump sum evaluations](#)

Guidance documents

- [What do I need to know? & Quick guide](#)
- [Frequently asked questions](#)
- [Detailed guidance for participants](#)
- [Lump sum briefing slides for experts](#)

Reference documents

- [Model Grant Agreement Lump Sum](#)
- [Decision authorising the use of lump sum contributions under the Horizon Europe Programme](#)

Studies

- [European Commission assessment](#) (Sep 2024)
- [European Commission assessment](#) (Oct 2021)
- [European Parliament \(STOA\) study on lump sums in Horizon 2020](#) (May 2022)

Events

- Future events
- Past events and recordings



Personnel unit costs



More information: [Personnel Unit Cost page on EU Funding & Tenders Portal](#)