ERC Advanced Grants
Lump Sums Webinar

7 June 2024
ERC Work Programme 2024

Focus of this webinar

Lump sum financial model for Advanced grants 2024

Other changes introduced in Work Programme 2024, e.g.,

- clearer focus on research project
- changes to structure of CV and track record
- changes to evaluation procedure

@ applicants: do not forget to familiarise yourself with the Work Programme 2024 and all changes!

Webinar on the launch of the ERC Work Programme 2024 -->

Webinar ERC Work Programme 2024 (youtube.com)
ERC Advanced Grants Lump Sums Webinar

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Conclusion & wrap-up
1. General principles
Lump Sum models

Two main models:

1. **Fixed lump sum amount** (in Call for proposals). Same amount for all projects => ERC Proof of Concept (since ERC WP 2019)

2. **Lump sum amount** defined by the proposal activities and resources needed (i.e., different for each project) => AdG as from ERC WP 2024
Lump Sum principles

- Proposals’ **budget based on estimated costs** related to activities
- Budget **assessed during evaluation** (resources & costs)
- Lump sum amount **defined by project** (different for each project) and **capped at funding scheme ceiling** (2,5m + 1m additional funding)
- **Payment** based on work completion. Not linked to successful outcome.
- **No financial reporting anymore** (e.g., submission of cost claims, time sheets etc.)
ERC AdG 2024 Lump Sum

- 1 single lump sum contribution for the entirety of the project (only broken down per beneficiary – **NOT** per work package)

- No change to evaluation criteria: **Scientific excellence only!**

- Right for **grant portability** remains for PIs

- Except financial reporting/payment process, other **processes remain like actual costs model** (e.g., evaluation criteria, scientific reporting, project amendments)
Important messages to applicants

Applicants should not change:

- The way they think up their idea and imagine their project
- The way they structure their project

Basic principles of ERC funding remain untouched.

- The evaluation criteria
- Principles of flexibility and serendipity, i.e., how changes and deviations to the original work plan are handled during a project
- The principle of portability
Questions
2. Proposal submission
Minor changes to application forms

➢ More structured information on budget

▪ Budget table: person-months per staff category
▪ Budget narrative: structured in six boxes
▪ Equipment depreciation table

➢ Additional Declaration 10

Importance of a well-done budget, while considering what makes sense for a 5-year frontier research project
# Budget table

<table>
<thead>
<tr>
<th>Beneficiary Short Name</th>
<th>PI</th>
<th>Senior staff</th>
<th>Post docs</th>
<th>Students</th>
<th>Other staff</th>
<th>A. Total personnel costs/€</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Person Months</td>
<td>Cost/€</td>
<td>Average Monthly Cost</td>
<td>Person Months</td>
<td>Cost/€</td>
<td>Average Monthly Cost</td>
</tr>
<tr>
<td>Participant X</td>
<td></td>
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<td></td>
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<tr>
<td>Participant Y</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliated entity X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affiliated entity Y</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Subcontracting Costs/€ (No indirect costs)</th>
<th>C.1 Travel and subsistence</th>
<th>C.2 Equipment - including major equipment</th>
<th>Consumables incl. fieldwork and animal costs</th>
<th>Publications (incl. Open Access fees) and dissemination</th>
<th>Other additional direct costs</th>
<th>C.3 Total other goods, works and services</th>
<th>C. Total Purchase costs/€</th>
<th>D. Internally invoiced goods and services/€ (No indirect costs)</th>
<th>E. Indirect Cost/€</th>
<th>Total Eligible Costs</th>
<th>Requested EU contribution/€</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>
### Budget narrative

#### Section C. Resources

<table>
<thead>
<tr>
<th>A. Personnel</th>
<th>D. Internally invoiced goods and services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum 2500 characters allowed</td>
<td>Maximum 1000 characters allowed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Subcontracting (if applicable)</th>
<th>Request for additional funding justification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum 1000 characters allowed</td>
<td>Maximum 1000 characters allowed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Purchase cost (Travel - Equipment - Consumables - Field work - Animal costs - Publications - Other additional direct costs)</th>
<th>Funding from other sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum 3500 characters allowed</td>
<td>Maximum 1000 characters allowed</td>
</tr>
</tbody>
</table>

- Single box split in 6 sub-sections (text boxes) to provide a more structured format for PIs to justify.
- Overall character limit to justify resources extended from 8k to 10k characters.
## Equipment depreciation table

- Excel table **mandatory attachment** to be uploaded at submission (temporary solution: in future will become part of online submission forms and linked to budget table)

- Guidance provided on how to fill it in. (e.g., several units of same equipment, fully capitalised cost items)

<table>
<thead>
<tr>
<th>Beneficiary's/affiliated entity's name</th>
<th>Short name of the asset</th>
<th>Purchase cost per item (a)</th>
<th>Depreciation time (months) (b)</th>
<th>Expected percentage of usage for the grant (c)</th>
<th>Expected use time during the grant (months, cannot exceed the duration of the grant) (d)</th>
<th>Estimated depreciation costs per item (cannot exceed the purchase costs) (a/b)<em>c</em>d</th>
<th>Comments (e.g. depreciation policy, grouped items, full capitalised costs, etc...)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example 1</td>
<td>Equipment 1</td>
<td>€ 100,000.00</td>
<td>60</td>
<td>100%</td>
<td>48</td>
<td>€ 80,000.00</td>
<td></td>
</tr>
<tr>
<td>Example 2</td>
<td>Equipment 2</td>
<td>€ 10,000.00</td>
<td>36</td>
<td>100%</td>
<td>36</td>
<td>€ 10,000.00</td>
<td></td>
</tr>
<tr>
<td>Example 3</td>
<td>Equipment 3</td>
<td>€ 50,000.00</td>
<td>60</td>
<td>50%</td>
<td>48</td>
<td>€ 20,000.00</td>
<td></td>
</tr>
</tbody>
</table>
Additional declaration 10

New declaration specific to Lump Sum proposal
Under Point 1 of the Application forms (1 – General information)

Applicants to declare that **cost estimates** have been **established** in compliance with:

- **usual accounting practices** of their institution &
- **basic eligibility conditions for EU actual cost grants**
Questions
3. Evaluation
Evaluation

- **Evaluation criteria remain **Scientific Excellence only.** Focus of the evaluation remains on the scientific merits of the proposal

- **Assessment of costs estimates** to define Lump Sum Contribution at evaluation (sound financial management):
  - ✓ **eligible** (same eligibility conditions as actual costs)
  - ✓ **reasonable, non-excessive**
Personnel costs assessment

➢ Panel will not only assess resource (i.e., number of staff), but also associated personnel cost (NEW)

➢ Panel (and applicants) have access to historical ERC personnel cost data to serve as benchmark (ERC website)

➢ Applicants don’t need to follow historical data, but should plan according to what they expect to incur

➢ Personnel costs significantly higher than historical data are acceptable if justified (e.g., nature of the tasks, need for senior or highly qualified staff, significant increases in personnel costs)
ERC historical personnel cost data

Available for applicants and panel members (ERC Website)

In line with “Horizon dashboard”, except:

• Based on ERC historical data - actual personnel costs paid since 2018 (to be updated for each Advanced Grant call)

• Displayed by Country and Staff Category
ERC historical personnel cost data (2)

Select a country
Select a Personnel Cost Type

ERC historical data on personnel costs for ADG calls

20th Percentile
€2,750.00

50th Percentile-Median
€4,420.00

80th Percentile
€6,200.00

No Country Selected: All Countries
No Personnel Cost Type Selected: All Types of Personnel Costs

Personnel costs (EUR) – average costs per person-month
Questions
4. Implementation & payment
Implementation phase

Grant Preparation:

➢ Ensure compliance with rules
➢ **Budget table** included in the proposal is **removed** from the GA (full flexibility regarding transfer between costs categories)

Amendments:

➢ **Deviations are possible** (grant agreement can be amended the same way as actual cost grants, if it doesn’t call into question the award decision)
Reporting & payment

- 80% pre-financing to ensure cash-flow
- 1 scientific mid-term report to assess progress and deviations
- 1 single payment at the end of the project
Final reporting & payment

Lump sum fully paid when all the work has been carried out as described in the DoA, and if:

- all essential tasks completed, and/or
- equivalent tasks have been carried out, and/or
- deviations have been duly justified.

In cases where a project could not be conducted as planned (e.g., due to early termination), the PI can declare partial completion.

**Note:** Lump sum is paid in line with the degree of completion declared by PI/HI and accepted by ERCEA
Ex-post control

- **No financial audits**, no certificate of financial statements (CFS)
- Technical **reviews** possible only on proper implementation & compliance with non-financial obligations
  (e.g., ethics, procurement procedures, PI’s time commitments)

Keeping records:

- Technical documents, publications, prototypes, deliverables, and documentation required by good research practice
  (e.g., lab books etc.)
Questions
Conclusion & wrap-up
Simplifications

Major reduction of administrative burden:

➢ Remove all obligations on costs reporting (incl. personnel costs)

➢ No more time-sheets or other document supporting actual costs incurred

➢ No more financial audits
Timeline ERC AdG WP 2024

Call Opens: 29 May 2024

Call Deadline: 29 August 2024

STEP 1 Evaluation: Sept-Dec 2024

STEP 2 Evaluation: Jan-Mar 2025

Applicants informed: June 2025