

DECISION

of XXX

amending Commission Decision C(2013)8194 authorising the use of reimbursement on the basis of unit costs for Marie Skłodowska- Curie actions under the Horizon 2020 Framework Programme

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 (Text with EEA relevance)¹, and in particular Article 57 thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union ('Financial Regulation')², amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 and in particular Article 279(2) thereof,

Whereas:

- (1) The special needs allowance for Marie Skłodowska-Curie Actions (MSCA) under Horizon 2020 is implemented through a pilot scheme of dedicated low-value lump sum grants - "Special Needs Lump Sums" (SNLS). This arrangement has proven to lead to an excessive administrative burden and disproportionate management costs for this additional grant cycle. This has prompted a change of approach for Horizon Europe.
- (2) The Horizon 2020 implementation of the special needs allowance via lump sum grants should therefore be replaced by a unit cost top-up to the institutional unit cost integrated in the main MSCA action in which the person concerned participates.
- (3) Decision C(2013)8194 should therefore be amended in accordance with Article 50(2) of the internal rules for the implementation of the Commission section of the general budget of the European Union³, by which authorising decisions adopted prior to the entry into force of Regulation (EU, Euratom) 2018/1046 should be amended using the same procedure as set out in the second paragraph of that article.

HAS DECIDED AS FOLLOWS:

Sole Article

The Annex to Decision C(2013)8194 is replaced by the text in the Annex to this Decision.

Done at Brussels, xxx

Themis CHRISTOPHIDOU
Director-General

¹ OJ L 170, 12.5.2021, p. 1.

² OJ L 193, 30.7.2018, p1.

³ Commission Decision C(2022)9304.

ANNEX**Introduction**

In order to make the Union's research and innovation system more competitive on a global scale, Horizon 2020 aims *inter alia* at reinforcing and extending the excellence of the Union's science base and at consolidating the European Research Area. Europe needs a strong and creative human resource base, mobile across countries and sectors, with the right combination of skills to innovate and to convert knowledge and ideas into products and services for economic and social benefit. Global mobility for research purposes in a constantly challenging economic environment which competes for the best brains and ideas has a price which needs to be paid if Europe wants to remain at the forefront of innovation and secure prosperity for its people.

In support of this aim, the Marie Skłodowska-Curie actions provide excellent and innovative research training as well as attractive career and knowledge-exchange opportunities through cross-border and cross-sector mobility of researchers to best prepare them to face current and future societal challenges. By doing so, the Marie Skłodowska-Curie actions ensure optimum development and dynamic use of Europe's intellectual capital in order to generate, develop and transfer new skills, knowledge and innovation and, thus, to realise its full potential across all sectors and regions.

1. Form of financing and categories of costs covered

In line with the recommendations of the FP7 Marie Curie actions interim evaluation covering the years 2007 to 2011⁴, the contribution to costs of researchers/seconded staff members and institutional costs incurred by beneficiaries in Marie Skłodowska-Curie actions under the Horizon 2020 Framework Programme shall exclusively take the form of reimbursement of eligible costs declared on the basis of unit costs.

The use of unit costs applies to the following four actions:

Action	Acronym	Description
1. Innovative Training Networks	ITN	Support for doctoral and early-stage training: - European Training Networks - European Industrial Doctorates - European Joint Doctorates
2. Individual Fellowships	IF	Support for experienced researchers undertaking international and inter-sector mobility: - European Fellowships - Global Fellowships

⁴ FP7 Marie Curie Actions Interim Evaluation, Final Report, 7.02.2013, p. 112: "Although due to the very wide use of flat rates in general MCA are regarded as very user-friendly as far as financial management is concerned, application of real costs for a rather minor share of overall MCA expenditure has a negative impact on the consistency and overall clarity of the financial management arrangements. Therefore in order to further simplify MCA administrative provisions it would be important to harmonise financial management procedures and to switch to the full use of standardised costs".

Action	Acronym	Description
3. Research and Innovation Staff Exchange	RISE	International and inter-sectorial cooperation through the exchange of staff
4. Co-funding of programmes	COFUND	Co-funding of regional, national and international programmes: - doctoral programmes - fellowship programmes

All the eligible costs incurred in the framework of those actions shall be reimbursed on the basis of unit costs, in accordance with the following system:

Categories of eligible costs	Costs of researchers/seconded staff members (1)				Institutional costs (2)	
	Living allowance (a)	Mobility allowance (b)	Family allowance (c)	Top-up allowance (d)	Research, training and networking costs (a)	Management and indirect costs ⁵ (b)
Marie Skłodowska-Curie Action						
ITN	Unit cost per person/month	Unit cost per person/month	Unit cost per person/month	Ineligible	Unit cost per person/month	Unit cost per person/month
IF	Unit cost per person/month	Unit cost per person/month	Unit cost per person/month	Ineligible	Unit cost per person/month	Unit cost per person/month
RISE	Ineligible	Ineligible	Ineligible	Unit cost per person/month	Unit cost per person/month	Unit cost per person/month
COFUND	Unit cost per person/month (one for early-stage researchers and one for experienced researchers)	Ineligible	Ineligible	Ineligible	Ineligible	Unit cost per person/month (indirect costs not covered)

(1) For ITN, IF and COFUND – costs of researchers

- (a) Living allowances payable to the individual early-stage or experienced researchers recruited under an employment contract/contract with full social security coverage and complying with the social security legislation applicable⁶. These amounts include all compulsory deductions under national applicable legislation.

To ensure equal treatment of, and purchasing power parity for, researchers working all over the world, the amount of the unit costs for living allowances for ITN and IF are determined per country by applying a country-specific correction coefficient.

- (b) For ITN and IF, a mobility allowance payable to the individual researcher to cover additional mobility-related costs such as travel and accommodation.
- (c) For ITN and IF, a family allowance payable to the individual eligible researcher to reduce family-related obstacles to researcher mobility.

For RISE – costs of seconded staff members

- (d) A top-up allowance payable to the individual seconded staff member to cover travel, accommodation and subsistence costs related to the secondment.

⁵ Including, where applicable the special needs top-up.

⁶ Council Regulation (EC) No 883/2004 of 29 April 2004, OJ L 166, 30.04. 2004, p. 1.

- (2) Institutional costs
- (a) Costs related to the training and research expenses of researchers as well as costs related to the transfer of knowledge and networking.
 - (b) Costs related to managing a project and, for ITN, IF and RISE, indirect costs.
 - (c) Where applicable, costs related to special needs to provide financial support for the specific costs entailed by recruited or seconded persons whose long-term physical, mental, intellectual or sensory impairments are such that their participation in MSCA actions would not be possible without this additional support.

The amounts of the unit costs to be used shall be calculated in accordance with the method described in Section 3.

2. Justification

Recurring to unit costs considerably simplifies, streamlines and reduces the time needed for the financial management of projects, both at Commission/Research Executive Agency (REA) as well as beneficiary level. Compared to the 'traditional' system of calculating the grant amount on a detailed budget of estimated actual eligible costs per cost category, a unit-cost system is not only more cost-effective and economically sound than item-based budgeting: it significantly shortens the time needed to calculate grant amounts, avoids amendments related to budget variations and substantially decreases the number of recovery orders and de-commitments. It also significantly decreases the workload of the management body and consequently speeds up the payment procedure. Furthermore, it implies additional simplifications at beneficiary level both in terms of application and reporting requirements.

In summary, this approach provides simplification through:

- (a) less complex funding rules contributing to easier readability of actions;
- (b) greater predictability for grant beneficiaries making the actions more attractive;
- (c) less administrative burden for checking at the payment stage reducing overheads for the contracting authority and facilitating productivity gains;
- (d) simplified reporting requirements (no certification or financial statement to be provided by beneficiaries);
- (e) easier ex-post analysis (riders related to budget variations will be avoided; payment based on predetermined output or result) and further reductions of the risk of error.

Marie Skłodowska-Curie actions are particularly suited to the utilisation of unit costs given their successful implementation in a similar way for the past seven years (under the FP7 PEOPLE Specific Programme 2007-2013). Consequently, the Commission has a data base of final grants reimbursing unit costs as well as a study on which to base its assessment.

2.1. Nature of the supported actions

The **Innovative Training Networks (ITN)** aim to train a new generation of creative, entrepreneurial and innovative early-stage researchers, able to face current and future challenges and to convert knowledge and ideas into products and services for economic and social benefit. The ITN will raise excellence and structure research and doctoral training, extending the traditional academic research training setting, and equipping researchers with the right combination of research-related and transferable competences. It will provide enhanced

career perspectives in both the academic and non-academic sectors through international, interdisciplinary and inter-sector mobility combined with the innovation-oriented mind-set.

The goal of **Individual Fellowships (IF)** is to enhance the creative and innovative potential of experienced researchers wishing to diversify their individual competence in terms of skill acquisition at multi- or interdisciplinary level through advanced training, international and intersectoral mobility. IF provide opportunities to acquire new knowledge and to work on research in a European context (Member States and Associated Countries) or outside Europe. The scheme particularly supports the return and reintegration of researchers from outside Europe who have previously worked here. It also develops or helps to restart the careers of individual researchers that show great potential, considering their experience.

The **RISE** scheme will promote international and inter-sector collaboration through research and innovation staff exchanges, and sharing of knowledge and ideas from research to market (and vice-versa) for the advancement of science and development of innovation. The scheme fosters a shared culture of research and innovation that welcomes and rewards creativity and entrepreneurship and helps to turn creative ideas into innovative products, services or processes.

The **COFUND** scheme aims at stimulating regional, national or international programmes to foster excellence in researchers' training, mobility and career development, spreading the best practices of Marie Skłodowska-Curie actions. This will be achieved by co-funding new or existing regional, national, and international programmes to open up to, and provide for, international, intersectoral and interdisciplinary research training, as well as transnational and cross-sector mobility of researchers at all stages of their career.

In order to offer attractive working conditions for researchers from all over the world, the system of so-called Marie Skłodowska-Curie rates was established under the 4th Framework Programme for Research and Technological Development (1994-1998) as a benchmark against the most favourable national researcher mobility grants in Europe and beyond. Since then, these rates have been progressively refined and fine-tuned as well as periodically updated to stay competitive and realistic; in particular, measures have been taken to allow for researchers' salary adaptations due to pay increases and/or inflation and to ensure that the reimbursement levels are in line with, and do not exceed, real costs incurred by host organisations.

All supported projects will be funded through an output-based unit cost system. The recourse to unit costs is justified by the very high number of applications⁷ and is considered as an appropriate form of financing in order to simplify the administrative burden and financing conditions of supported projects. While a budget-based approach involves complex rules related to budget transfers and variations with project implementation subsequently entailing a lot of accounting compliance, a unit-cost approach provides the opportunity to put added weight on the quality of the results as well as on the impact of the support. Such an approach also leads to more qualitative projects with verifiable results in line with the objectives of the Marie Skłodowska-Curie actions rather than emphasising the financial and administrative aspects of the research training, career development and knowledge exchange. Moreover, the sole use of unit costs represents a further simplification for applicants ensuring certainty and transparency of funding levels in case of selection and proper implementation of the project.

2.2. Risks of irregularities and fraud and costs of control

⁷ Over the seven-year period of FP7, more than 50 000 applications were submitted under calls related to Marie Curie actions, with roughly 42 000 applications for individual fellowships and almost 6 000 for initial training networks alone.

The extended use of simplified forms of grants under Marie Skłodowska-Curie actions may imply certain risks of irregularities and fraud. Therefore, the importance of having effective internal control procedures for fraud prevention and reporting of irregularities is increased.

Regulation (EU, Euratom) No 966/2012⁸ requires that the DGs and Agencies establish anti-fraud measures in their individual Internal Control Systems. According to that Regulation, the financial statement must provide information regarding existing and planned fraud prevention and protection measures in order to prevent any risk of fraud or irregularity which might affect the Union's financial interests. In 2010, the REA started implementing its first Anti-Fraud Strategy. In addition, controls to prevent and detect fraud have been included in all parts of the Internal Control Systems of the REA. In June 2011, the Commission adopted its first Anti-Fraud Strategy (CAFS) in which it requested the Commission Services to set up or update their sectorial Anti-Fraud Strategies. For the area of research the Anti-Fraud Strategy (RAFS) was adopted in December 2012. The RAFS builds strongly on and complements the CAFS by demonstrating how elements of the corporate strategy are addressed in the area of research. The sectorial strategy outlines some key principles of combating fraud, with a special focus on challenges which are common to the services of the research family and coordination/collaboration mechanisms, which should ensure that strategic priorities are implemented in a most effective and coherent manner throughout the whole family. In parallel with the setup of RAFS and taking into account this new element, the REA reviewed its own strategy by fully endorsing the RAFS and by complementing it with an Anti-Fraud Approach, to stress that the CAFS and RAFS remain the key strategic documents for anti-fraud activity in the REA. While CAFS and RAFS focus on the strategic positioning of anti-fraud activities, the main purpose of the REA's Anti-Fraud Approach is to translate the strategic priorities into measures which are addressing risks that are particularly relevant for the operations managed by the agency. The Approach identifies various areas where the REA could improve the effectiveness of its fraud prevention and detection capacity, thereby supporting implementation and awareness-raising activities. The Approach is accompanied by an action plan with clear deliverables; it also introduces an anti-fraud team in the REA which will considerably strengthen the anti-fraud activity within the agency and the collaboration on anti-fraud matters with the Commission services and OLAF.

Reporting and control in Marie Skłodowska-Curie actions will focus on the implementation of the supported activity and the achieved results rather than on the eligibility of costs incurred, reducing the workload and scope for error of both participants and managing body. The whole monitoring system is set up in a manner so as to ensure efficiency and cost-effectiveness of the controls. The REA will be exclusively responsible for management aspects of the Marie Skłodowska-Curie actions such as on-site project visits. In addition, the possibilities for ex-post controls will be extended which can further guarantee the sufficient quality of the outputs.

As statistically proven over the seven-year period of the 7th Framework Programme for Research and Development (FP7) and due to its clear-cut nature, the system of Marie Skłodowska-Curie rates is very resistant to irregularities and fraud. In fact, the FP7 PEOPLE specific programme remained much simpler compared to other FP7 specific programmes when it comes to the financing modalities for mobility grants. As a consequence, the intrinsic risk on legality and regularity errors in cost claims leading to unjustified Union funding has been very low and does thus not justify additional control and audit mechanism nor their costs.

In order to further reduce the risks, participants shall continue to be required to incur the full researcher unit costs (in ITN, IF and RISE actions) for the exclusive benefit of the researchers

⁸ Articles 32 and 66(2) of Regulation (EU, Euratom) No 966/2012 and Article 19 of Commission Delegated Regulation (EU) No 1268/2012.

so that – in line with the policy objective of the Marie Skłodowska-Curie actions to promote better employment conditions – these researchers have a guaranteed minimum allowance during their mobility experience. For COFUND actions, a co-funding rate of 50% will be applied to the researcher unit cost. Beneficiaries shall be required to pay the fellow at least 70% of the researcher unit cost which shall include both the EU contribution (corresponding to 50% of the researcher unit cost) and the beneficiary's own contribution (corresponding to at least 20% of the researcher unit cost). In fact, the researcher unit costs remain subject to subsequent verification and audit to determine that actual allowances paid to the researchers (and related employers' social security charges) are equal to, or exceed, the unit costs defined in the grant agreement. Experience from FP6/FP7 project management has demonstrated that the occurrence and impact of errors of underpayment of researchers remains fairly low⁹. Moreover, where such underpayments are discovered, beneficiaries have been and shall continue to be required to make additional payments to the researchers concerned (rather than repaying the difference back to the Union budget).

3. Methodology to determine and update the amounts

Calls for proposals before the mid-term review (H2020 Work Programmes 2014-2015 and 2016-2017)

In order to determine the amounts of the researcher and institutional unit costs, reliable historical data of eligible costs were collected from 9 131¹⁰ signed Marie Curie projects financed under FP7 between 2007 and 2013. The unit costs applicable to the Marie Skłodowska-Curie actions under Horizon 2020 are based on the seven-year average of the Marie Curie rates applicable under FP7¹¹ and the findings of the FP7 Marie Curie actions interim evaluation as well as the MORE2 study¹²:

- (a) the average monthly living allowance paid to an experienced researcher¹³ receiving an individual fellowship in the Marie Curie individual-driven actions amounts to EUR 4 657. An analysis of all programmes supported by the Marie Curie COFUND action leads to a similar figure for the average monthly living allowance paid to experienced researchers with an employment contract.
- (b) The average monthly mobility allowance paid to a researcher receiving an individual fellowship in the Marie Curie individual-driven actions amounts to EUR 586.
- (c) The average monthly family allowance paid to a researcher receiving an individual fellowship in the Marie Curie individual-driven actions amounts to EUR 300. According to the MORE2 study, "[w]hen asked for explicit reasons for their non-mobility, researchers rank personal and family reasons as being most important ... While this is an important barrier to overcome when embarking upon an international

⁹ The available figures show that the residual error rate in financial transactions for the People Programme for the period 2009-2013 is 0.6%, i.e. far below the materiality threshold of 2.0% and not even one fifth of the overall residual error rate of all FP7 Programmes managed by the Research Executive Agency in that period. This confirms the low inherent risk of the People Programme.

¹⁰ 629 ITN, 3 212 IEF, 797 IOF, 977 IIF, 1 089 CIG, 495 ERG, 958 IRG, 315 IAAP, 527 IRSES and 132 COFUND projects as of 3rd October 2013.

¹¹ The specific requirements of Marie Curie actions under FP7 imply that the rates set out by the Commission for researchers' allowances correspond to at least the actual eligible costs incurred by the beneficiaries.

¹² MORE2 – Support for continued data collection and analysis concerning mobility patterns and career paths of researchers: Deliverable 8 – Final report MORE2, August 2013.

¹³ Experienced researcher (ER) = researcher with a doctoral degree or at least four years of full-time equivalent research experience.

research period, it is an even more important factor which convinces researchers not to travel... [W]omen ...see more barriers regarding personal and or family reasons [than men]"¹⁴.

- (d) the average monthly flat rate per exchanged staff member in the Marie Curie IRSES action amounts to EUR 1 867 (excluding the additional long-distance allowance). According to the findings of the FP7 Marie Curie actions interim evaluation, "there is a clear demand for higher flat rates in IRSES and additional funding to cover the networking (workshops, seminars, conferences and similar events) costs incurred by the action's beneficiaries"¹⁵.
- (e) as evidenced by the FP7 Marie Curie actions interim evaluation, Marie Curie actions "funding allocated to cover research and training costs [for projects selected between 2007 and 2010] is less sufficient than the allocation to cover living and mobility costs"¹⁶. As a consequence, the Commission decided to raise these monthly unit costs for the years 2011 to 2013 to EUR 1 800 for the ITN and IAPP actions and to EUR 800 for individual-driven actions.
- (f) the average monthly Union contribution to management and overhead costs in Marie Curie multi-beneficiary projects¹⁷ amounts to EUR 1 200 which is equivalent to 19.1% of the final costs linked to supported researchers, their training and networking as reported by beneficiaries; according to the findings of the FP7 Marie Curie actions interim evaluation, "the fact that the management budget and overheads are not fixed in advance (but rather depend on total or direct costs of the project) causes additional difficulties for the beneficiary in planning administrative project arrangements"¹⁸.
- (g) the average monthly Union contribution to the management of COFUND projects offering employment contracts amounts to EUR 335 (excluding indirect costs such as overheads).

As a consequence, the following unit costs, expressed in person-months and corresponding to the country-specific correction factor of 100% applicable to Belgium and Luxembourg, shall be applicable to the Marie Skłodowska-Curie calls for proposals launched under the Horizon 2020 Work Programmes 2014-2015¹⁹ and 2016-2017²⁰:

- (1) Costs of researchers/seconded staff members
 - (a) The monthly living allowance for experienced researchers eligible for an individual fellowship in IF actions shall be fixed at EUR 4 650. According to the MORE2 study²¹, the salary of an early-stage researcher (R1) is equivalent to 66.9% of the one earned by an experienced researcher (R2). Consequently, the monthly living allowance for early-stage researchers in ITN actions shall be set at EUR 3 110.

¹⁴ MORE2 – Final report MORE2, August 2013, p. 169 and p. 171.

¹⁵ FP7 Marie Curie Actions Interim Evaluation, Final Report, 7.02.2013, p. 123.

¹⁶ FP7 Marie Curie Actions Interim Evaluation, Final Report, 7.02.2013, p. 105.

¹⁷ Eligible management costs are reimbursed on an actual cost basis under FP7, up to 10% of the EU contribution. Overhead costs are eligible on the basis of a flat-rate of 10% of the eligible direct costs under FP7.

¹⁸ FP7 Marie Curie Actions Interim Evaluation, Final Report, 7.02.2013, p. 106.

¹⁹ Commission Decision C(2014)4995 of 22 July 2014.

²⁰ Commission Decision C(2016)4614 of 25 July 2016.

²¹ MORE2 – Remuneration – Cross-Country Report (WP4), April 2013, p. 39-42.

To ensure equal treatment of, and purchasing power parity for, researchers working all over the world, these living allowances are subject to a country-specific correction coefficient. The applicable coefficient is the 7-year average of the respective country-specific coefficient used between 2007 and 2013 for the FP7 Marie Curie actions. This average country-coefficient shall automatically be revised after 4 years based on the average of the 2010-2016 country-specific coefficients to make sure that researchers' purchasing power parity stays comparable irrespective of the country they are conducting their research in.

- (b) The monthly mobility allowance shall be fixed at EUR 600.
- (c) In order to "ensure effective equal opportunities for the mobility of male and female researchers, including through specific measures to remove barriers"²², the monthly family allowance shall be fixed at EUR 500.
- (d) The monthly top-up allowance for seconded staff members in RISE actions shall be fixed at EUR 2 000.
- (e) The researcher unit cost applicable to COFUND actions and subject to a 50% co-funding rate shall be set as the sum of both the living and mobility allowances listed above, i.e. at EUR 3 710 per month for early-stage researchers and EUR 5 250 per month for experienced researchers. This unit cost shall be used exclusively as contribution to the living allowance of the researcher. Other researcher-related cost items (such as the mobility and family allowances) are ineligible under Horizon 2020 and may be funded through other sources including Union programmes other than Horizon 2020.

(2) Institutional unit costs

- (a) The unit cost related to the training and research expenses of researchers as well as to the costs related to the transfer of knowledge and networking shall be fixed at EUR 1 800 per month for ITN and RISE actions and at EUR 800 per month for IF actions.
- (b) The unit cost related to managing and running a project (management and indirect costs) shall be fixed at EUR 1 200 per month for ITN actions, at EUR 650 per month for IF actions and at EUR 700 per month for RISE actions.

For collaborative projects, this unit cost represents 20% of the costs linked to supported researchers, their training and networking. For mono-beneficiary projects, the unit cost is 10% of the costs linked to supported researchers, their training and networking. This is in line with, and slightly below, FP7 Marie Curie actions statistical data on actual eligible costs reported by beneficiaries.

In case a beneficiary already receives an operating grant financed by the EU or Euratom budget in the same period, indirect costs are ineligible unless the beneficiary can demonstrate that the operating grant does not cover any costs of the action in question. The analysis of FP7 Marie Curie actions statistical data showed that on average the amount of indirect costs was equal to the amount of management costs. Therefore, the unit cost applicable to beneficiaries in receipt

²² Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC, OJ L 347, 20.12.2013, p. 129.

of an operating grant shall be half of the amount determined in the first paragraph of point 3(2)(b) above.

The institutional unit cost applicable to COFUND actions and subject to a 50% co-funding rate shall be set at EUR 650 per month. It covers only the management costs of the programme. Other institutional cost items (such as training and research expenses of researchers, costs related to the transfer of knowledge and networking as well as indirect costs such as overheads) are ineligible under Horizon 2020 and may be funded through other sources including Union programmes other than Horizon 2020.

Marie Skłodowska-Curie Actions pay particular attention to accessibility and inclusion of researchers with disabilities. In order to facilitate and encourage their participation in MSCA actions, the Horizon 2020 Work Programme 2018-2020 introduced a new special needs allowance to provide financial support for the specific costs incurred by recruited or seconded persons whose long-term physical, mental, intellectual or sensory impairments are such that their participation in MSCA actions would not be possible without this additional support.

The special needs allowance for Marie Skłodowska-Curie Actions under Horizon 2020 is implemented through a pilot scheme of dedicated low-value lump sum grants - SNLS. The grants are limited to a maximum of EUR 60 000 per researcher/staff member. Only beneficiaries of MSCA ongoing actions can participate in SNLS calls, because the SNLS grant is conditioned on the participation of the person in an MSCA action. A separate SNLS grant agreement linked to the main MSCA grant is signed for each researcher/staff member.

However, this arrangement has proven to lead to an excessive administrative burden and disproportionate management costs for this additional grant cycle and it has prompted a change of approach under Horizon Europe.

It is therefore appropriate that the Horizon 2020 implementation of the special needs allowance is aligned with the Horizon Europe approach. To this end, the Horizon 2020 lump sum grant methodology should be replaced by a unit cost top-up to the institutional unit cost integrated in the main MSCA action in which the person concerned participates.

As a consequence, in order to further simplify the implementation of the Special Needs Scheme (SNS), to streamline the procedure and to reduce the administrative burden, it is necessary to authorise the use of unit contributions comparable to those outlined in the Decision of 11 March 2021 authorising the use of lump sum contributions and unit contributions for Marie Skłodowska-Curie actions under the Horizon Europe Programme²³. This change of approach is justified by the fact that the unit cost top-up to the institutional unit cost would be linked to the main MSCA action, and therefore it will apply to the same action and final beneficiaries.

²³ [Decision](#) of 11 March 2021 authorising the use of lump sum contributions and unit contributions for Marie Skłodowska-Curie actions under the Horizon Europe Programme

Where the SNS applies, it shall be implemented as a top-up increasing the amount of the unit cost related to managing and running the project, starting from the approval of the request for the allowance until the end of the action duration.

The top-up amount per month shall be calculated as follows:

$$\frac{\{\{\text{Total amount of authorised SNS allowance for the action}\}\}}{\text{divided by}} \frac{\{\text{the number of person-months starting from the approval of the request for the SNS allowance until the end of the action duration ('remaining person-months')}\}}$$

The total authorised special needs amount for the action is determined based on the needs of each specific case up to a maximum of EUR 60 000 per researcher/staff member.

Marie Skłodowska-Curie action	Costs of researchers/seconded staff members person/month			Institutional unit cost person/month	
	Living allowance	Mobility allowance	Family allowance	Research, training and networking costs	Management and indirect costs ²⁴
Innovative Training Networks	EUR 3 110 for early-stage researchers	EUR 600	EUR 500	EUR 1 800	EUR 1 200
Individual Fellowships	EUR 4 650 for experienced researchers	EUR 600	EUR 500	EUR 800	EUR 650
Co-funding of regional, national and international programmes	50% of EUR 3 710 for early-stage researchers 50% of EUR 5 250 experienced researchers	N/A	N/A	N/A	50% of EUR 650 for management costs only
	Top-up allowance			Research, training and networking costs (no change)	Management and indirect costs²⁵ (no change)
Research and Innovation Staff Exchange	EUR 2 000 for seconded staff members			EUR 1 800	EUR 700

²⁴ Where applicable increased by the SNS top up.

²⁵ Where applicable increased by the SNS top up.

The assessment of the present methodology was developed on the basis of a statistically robust set of data. However, the lack of real cost data in the future urges the Commission to use other similar objective means in order to keep the approved methodology up-to-date. As a method of revision, the Commission shall organise a mid-term review of the adopted unit costs compared to real costs and researchers' salary development in Europe and beyond. This is foreseen to be conducted *inter alia* through a consultancy study including survey among a sample of selected beneficiaries for a given period. The sample should cover each category and should focus, as far as possible, on those that have received their payment of the balance. Beneficiaries should be asked to provide details, certified by a declaration on their honour, of their initial budgets and the final real costs with an assurance that they will not be used for challenging the pre-determined amount of the unit costs. The revision will allow updating the researcher and institutional unit costs. Furthermore and in order to guarantee continuity and stability, the Commission reserves the right to automatically update the above unit costs once the joint index based on national Belgian and Luxembourg inflation²⁶ deviates from the 2014 baseline inflation index by 10%.

*Calls for proposals after the mid-term review (H2020 Work Programmes 2018-2020)*²⁷

Based on the results of the mid-term review²⁸, the unit cost for researchers/seconded staff members must be updated as follows (for the calls for proposals launched under the H2020 Work Programme 2018-2020²⁹):

Marie Skłodowska-Curie action	Costs of researchers/seconded staff members person/month			Institutional unit cost person/month	
	Living allowance	Mobility allowance (no change)	Family allowance (no change)	Research, training and networking costs (no change)	Management and indirect costs ³⁰ (no change)
Innovative Training Networks	EUR 3 270 for early-stage researchers	EUR 600	EUR 500	EUR 1 800	EUR 1 200
Individual Fellowships ³¹	EUR 4 880 for experienced researchers	EUR 600	EUR 500	EUR 800	EUR 650
Co-funding of regional, national	50% of EUR 3 870 for	N/A	N/A	N/A	50% of EUR 650 for

²⁶ As used for the Method for adjusting salaries and pensions of European Union staff.

²⁷ These unit costs will not lead to additional increase of the budgetary requests for MSCA; the indicative budgets will remain as foreseen in the Work Programme 2018-2020 (subject to adoption/annual budgetary procedures).

²⁸ Mid-term review of Marie Skłodowska-Curie actions unit costs, Final report, February 2017, <https://publications.europa.eu/en/publication-detail/-/publication/0f44192e-5499-11e7-a5ca-01aa75ed71a1/language-en/format-PDF/source-31288412>.

²⁹ To be adopted in October 2017.

³⁰ Where applicable increased by the SNS top up.

³¹ By analogy, these unit costs shall apply to the Individual Fellowships implemented under the *Spreading Excellence and Widening Participation* part of H2020 Work Programme 2018-2020.

Marie Skłodowska-Curie action	Costs of researchers/seconded staff members		Institutional unit cost	
	person/month		person/month	
and international programmes	early-stage researchers			management costs only
	50% of EUR 5 480 experienced researchers			
	Top-up allowance		Research, training and networking costs (no change)	Management and indirect costs³² (no change)
Research and Innovation Staff Exchange	EUR 2 100 for seconded staff members		EUR 1 800	EUR 700

The mid-term review was made by an external consultancy between May 2016 and January 2017. In order to collect data on real costs, the study conducted a survey consisting of 162 interviews with 83 fellows and 79 coordinators of ongoing projects³³ selected from the 2014 Marie Skłodowska-Curie actions calls. It ensured a broad geographical balance and coverage of all four actions and all cost categories. In parallel, an analysis of trends in researchers' salaries was undertaken and was based on the MORE2 study on mobility patterns and career paths of researchers³⁴ and internationally comparable data³⁵.

The final study report recommended to maintain the existing methodology, but to adjust the amounts of the researchers/seconded staff members unit costs (while maintaining the amount of the other unit costs).

For the researchers/seconded staff members unit cost, the survey of fellows and coordinators found that the monthly allowances (living, mobility and family) for both early-stage and experienced researchers are largely competitive in the majority of countries. Other data sources showed however that researchers' salaries have increased over the period 2014-2017 broadly in line with inflation³⁶. In order to take account of this change, the study recognised the need to increase the monthly living allowance for both early-stage and experienced researchers by 5%. This was calculated on the basis of Belgian inflation over the years 2014-2017³⁷. The updated amounts were rounded to the nearest ten. The same method for updating was recommended to be applied to the monthly top-up allowance for seconded staff members as it aims to cover costs of living associated with secondments.

³² Where applicable increased by the SNS top up.

³³ It is important to note that none of the Marie Skłodowska-Curie projects had received their payment of the balance at the time of the study.

³⁴ <https://euraxess.ec.europa.eu/content/more2-study-mobility-patterns-and-career-paths-researchers-2013>.

³⁵ Mid-term review of Marie Skłodowska-Curie actions unit costs, Final study report, February 2017, p. 12-13.

³⁶ Mid-term review of Marie Skłodowska-Curie actions unit costs, Final study report, February 2017, p. 40, p. 72 and p.74-75.

³⁷ The Belgian inflation rate was used as a proxy as is the case with the Method for adjusting salaries and pensions of European Union staff. Luxembourg was not taken into account as no data were available on researchers' salaries for the period in question.

For the research, training and networking unit costs, the study concluded that they were appropriate, with the majority of coordinators reporting that they were adequate. In general, their level was deemed competitive compared to the budgets available to similar researchers³⁸. Furthermore, data showed that coordinators as well as researchers were able to avoid any negative impact on their research by tapping into other sources of funding.

For the other institutional unit costs, the study found that although they did not fully cover the real costs incurred, institutions were able to draw from other funding sources. Thus, there is no evidence that the current level of the unit costs prohibits or discourages institutions from participating in the Marie Skłodowska-Curie actions. This is also supported by the fact that the number of applications continues to grow.

The study also found no clear evidence that the institutional unit costs were higher than actual costs, in particular when considering the intended flexibility in relation to the use of unused amounts for other action-related purposes.

The institutional unit costs therefore seem adequate and do not need to be adjusted.

The Commission will continue to closely monitor the unit costs to ensure that they respect the no-profit, co-financing and absence of double funding principles, remain sufficiently competitive and attractive to excellent researchers and institutions.

Furthermore, in order to guarantee continuity and stability, the Commission reserves the right to automatically update the above unit costs once the joint index based on national Belgian and Luxembourg inflation³⁹ deviates from the 2017 baseline inflation index by more than 10%.

4. No-profit and co-financing principles and absence of double financing

The methodology described in Section 3 complies with the principles of no-profit, co-financing and absence of double funding as required by Regulation (EU, Euratom) No 966/2012.

Projects funded in the Marie Skłodowska-Curie actions are not expected to generate revenue or to receive contributions specifically assigned to the eligible costs described in Section 1.

In addition, due to the participants' obligation to incur at least the rates for researcher costs in ITN, IF and RISE actions and to incur at least 70% of the researcher cost in COFUND actions (which is subject to a Union co-funding rate of 50%), the possibility to make profit on researcher costs (due to the use of unit costs of more than 100% of the real costs) is excluded. Furthermore, statistical analyses and simulations have been carried out to ensure that all the unit costs, and notably the institutional ones, would on average be comparable to, but below a possible Commission contribution to incurred real costs, which guarantees that there is no possibility for profit under this cost category.

The emphasis in managing grant agreements/decisions in the application of unit costs is placed on the quality and level of achievement of measurable objectives, and therefore focused on results rather than inputs.

Financing on the basis of unit costs where an analysis of the cost base has been made ex-ante introduces an incentive for the beneficiary to use resources as economically as possible, as the final grant is based on the pre-established rates in function of the nature and implementation of the action, without further adjustments of the grant amount based on actual expenditure. Moreover, applying pre-established rates offers advantages in terms of transparency, predictability and equal treatment of beneficiaries.

³⁸ Mid-term review of Marie Skłodowska-Curie actions unit costs, Final study report, February 2017, p. 72.

³⁹ As used for the Method for adjusting salaries and pensions of European Union staff.

The rules governing COFUND action foresee an overall maximum amount of co-financing of EUR 10 million per beneficiary and call as well as a maximum Union co-financing rate of 50%. The required level of co-financing (regional, national, international, beneficiaries' own resources, etc.) and the fact that the unit costs cover only part of the total eligible costs ensure that the no-profit rule is properly respected. Detailed guidelines and additional trainings will be provided to the management body staff and selection experts.

Double funding is effectively prevented through controls at the evaluation stage by the REA and the Commission. Marie Skłodowska-Curie actions draw clear division lines between actions and avoid that the same activity can be undertaken in different actions by the same participants. Double funding is also avoided by the specification/identification of eligible costs which are detailed in Section 1.