



# IHI Call 5 project proposals

## *Financial part*

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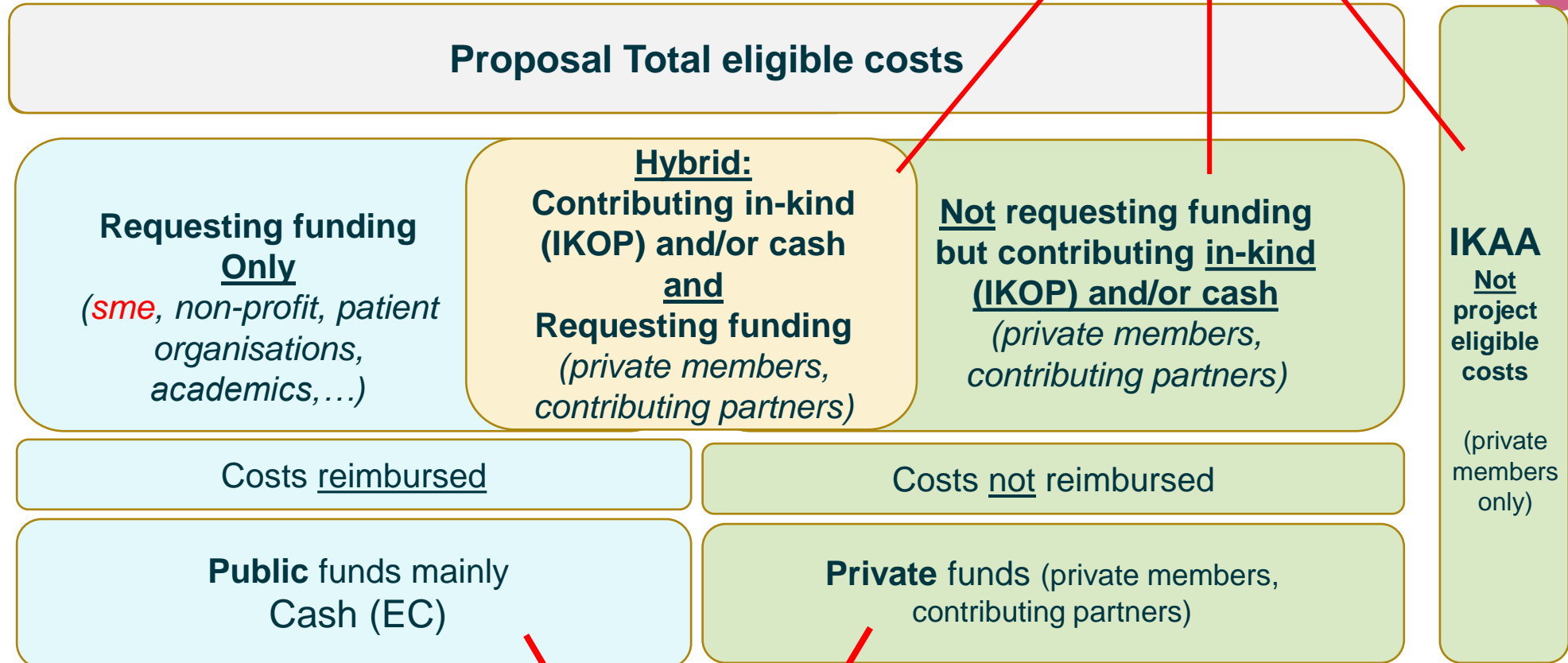
29.06.2023 • Online

# Content of this webinar

- Budget composition
- Contributions from private members and contributing partners
  - In-kind contribution to operational activities (IKOP)
  - Financial Contributions (FC)
  - In-kind contribution to additional activities (IKAA)
- Key thresholds
- Annex on budget
- Practical example
- Questions & Answers

**Minimum 45% contribution**

(IKOP + FC + IKAA) ≥ 45% of action's (eligible costs + IKAA)



**Co-funding principle**



# IHI Private members (PM)

- **Four** Industry trade associations (EFPIA includes Vaccines Europe subgroup)



- “Constituent entities”: members of these associations
- Affiliated entities of the above entities (financial or legal link)



# Contributing Partners (CP)

- Any legal entities interested in supporting IHI JU's strategic and specific objectives in their specific areas of research without becoming full members
- Application by submitting a letter to IHI Governing Board (GB) before the call deadline
- In letter: detail the scope of their commitment to the proposal and JU objectives
- Their contribution (IKOP and/or FC) must fulfil the cost eligibility criteria ([Art 6 of MGA](#))
- CP to be approved by the IHI GB
- CP in IHI Call 1: AB Science, icoMetrix, Combinostics, LGC Clinical diagnostics,...
- More information on contributing partners on [IHI website](#)

# IHI specific budget items

- **IKOP** - In-kind contributions to OPerational activities
- **FC** - Financial contributions
- **IKAA** - In-kind contributions to Additional Activities

Private members



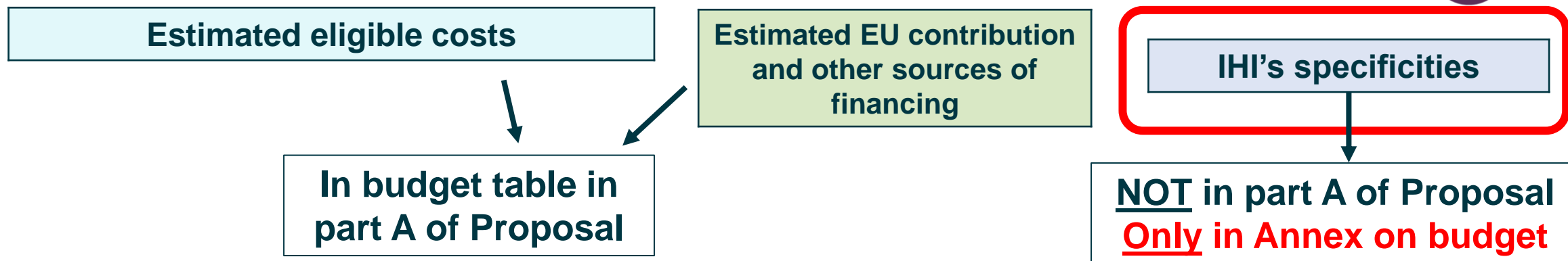
Contributing Partners



Not Private members or Contributing partners → Cannot contribute IKOP, IKAA and FC

# Budget items

No.	Participant legal name	Role	Personnel costs	Subcontracting costs	Purchase costs			Internally invoiced goods and services	Indirect costs	Total Eligible costs	Funding Rate	Max EU contribution to eligible costs	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP In-kind contribution for operational activities	Non-EU IKOP	Own resources	Total estimated income	IKAA In-kind contribution for additional activities
					Travel & Subsistence	Equipment	Other goods, works & services														



 **2 compulsory steps :**  
insert budget in EC IT tool **AND** fill in IHI Annex on budget



- IKOP

In-Kind contribution to Operational activities



# IKOP

- Consist of eligible costs incurred in implementing project tasks (personnel costs, subcontracting costs, other direct costs, ...)
- Only for private members and contributing partners
- Companies providing IKOP are subject to the same rights and obligations as any other beneficiary signing the GA
  - Same cost **eligibility criteria** ([Art 6 of MGA](#))
  - Same costs calculation methods
  - Same rules for reporting ...



# IKOP

- IKOP = (total eligible costs - requested IHI funding, if any)

➔ [Annex on budget](#) calculates IKOP automatically

- 'IKOP' includes both **EU IKOP** and **non-EU IKOP**

Type of participant	Total eligible costs	Requested EU contribution	IKOP	Non-EU IKOP
Private members & Contributing partners (Hybrid)	15 million	5 million	10 million	2 million

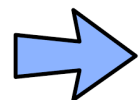
Included

# Non-EU IKOP

- IKOP incurred in third countries OUTSIDE the EU or Horizon Europe associated countries
- the EU: 27 countries
- Third Countries Associated (AC) to Horizon Europe: (01.04.2023)
  - 16 HE associated countries: Albania, Armenia, Bosnia and Herzegovina, Georgia, Iceland, Israel, Kosovo, Moldova, Montenegro, North Macedonia, Norway, Serbia, Tunisia, Turkey, Faroe Islands, Ukraine
  - Ongoing agreements: Morocco, United Kingdom
- IKOP incurred in US, Switzerland, UK... is 'Non-EU' IKOP
- If agreement reached for UK before GA is signed: EU IKOP

# Non-EU IKOP

- Criteria: where the underlying activities are carried out. Does not take into account where the company is established.  
e.g: company based in the US but activities carried out in Germany → EU IKOP  
company based in Germany but activities carried out in the US → Non-EU IKOP
- Programme level: **Non-EU IKOP ≤ 20% total IKOP** of private members and contributing partners (in all projects together)
- Project level: limit for IHI Call 5 is set at **30% non-EU**  
If more than 30% → in case the proposal is selected (at grant preparation stage) non-EU should be reduced to maximum 30% and the minimum of 45% contribution maintained



[Annex on budget](#) calculates automatically the non-EU threshold



# Financial Contributions paid



# Financial contributions (FC) paid

- Cash paid by a private member or a contributing partner to a beneficiary to support (a part of) its project eligible costs
- Count for the 45% threshold only if the recipient of the FC is eligible for receiving funding
- In Proposal part b (table 3.1k): Financial contributions to be explained:
  - private member/contributing partner paying the FC,
  - the FC amount,
  - the beneficiary receiving the FC and
  - the concerned project activities to carry out by the beneficiary with the received FC

# Special case of FC

- Private member (PM) or contributing partner (CP) pays a FC to **another PM or CP**:
    - counts for the 45% if the PM/CP receiving the FC is eligible for funding
    - But IKOP of the recipient of the FC must be decreased by the amount of FC received (no double counting!)
- ➔ [Annex on budget](#) calculates automatically  
$$\text{IKOP} = (\text{eligible costs} - \text{requested EU funding} - \text{FC received})$$



- IKAA

In-Kind contribution to additional activities



# IKAA in an IHI proposal

“Additional activities” must fulfil all below conditions:

1. contribute towards the achievement of objectives of the IHI projects, or towards the dissemination, sustainability or exploitation of the IHI project results
2. not be funded by the IHI or any other Union funding programme
3. be carried out in the Union or in countries associated with HE
4. be described in the [Annex on IKAA](#) of the Proposal (using these [Instructions](#))
5. not be project task(s) (i.e not IKOP as per DoA)

Only for private members, not for contributing partners

IKAA  $\leq$  **40%** of (IKOP + IKAA) from private members at Programme level.

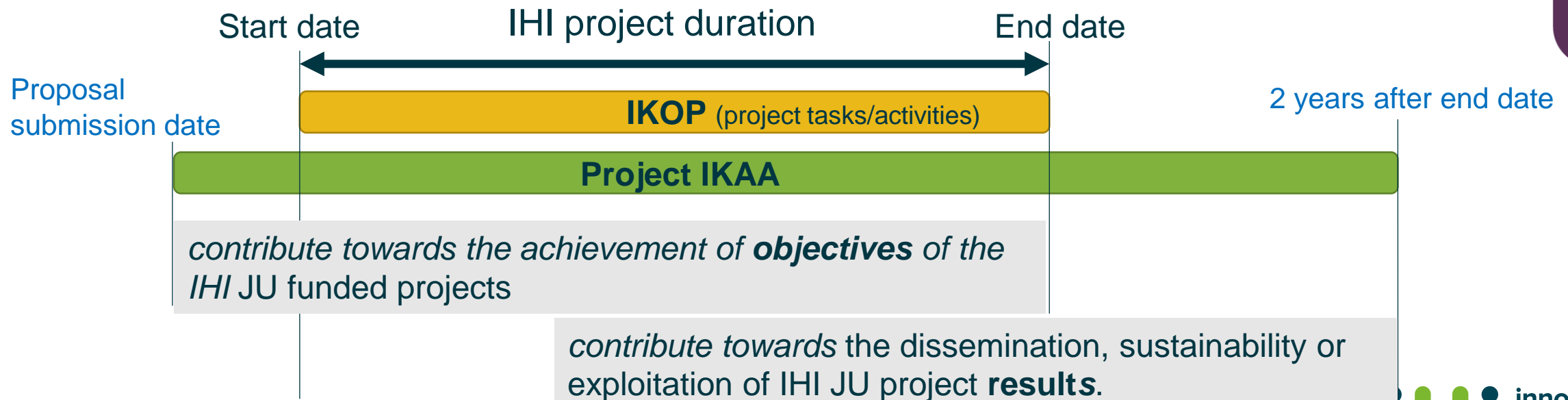
No limit at project level but if 40% exceeded → PM(s) to inform association(s) office(s).

# IKAA versus IKOP

- **IKOP**: eligible costs in implementing project tasks/activities as described in the Description of the Action (DoA)
- **IKAA**: costs for additional activities that are not project tasks (i.e. not IKOP)
- It is up to the consortium to identify IKOP and IKAA for their respective project
  
- **IKOP** : eligible costs, so can be reimbursed by IHI (if private members/contributing partners are eligible for funding)
- **IKAA** : non-eligible costs so can NOT be reimbursed by IHI
  
- **IKOP**: subject to HE's rules (same rules as for any beneficiary signing the GA)
- **IKAA**: can be valued following the usual cost accounting practices of the company, different reporting deadline, different reporting tool,...

# IKAA versus IKOP

- **IKOP**: cost must incur during the project implementation
- **IKAA**: costs can incur between the date of submission of the proposal and up to 2 years after project end date



# Project IKAA – potential examples

**Project objectives:** integrate diagnostic and predictive approaches to support multi-modality cancer care

- **Before project start:** develop an image-guided radiation therapy device.

The device will be used for the consortium activities and as a result will contribute to achieving the project's objectives.

- **During project implementation:** generate data from clinical trials using cancer treatments modalities (other than those of the project) which are used as independent datasets.

These data will further contribute to verifying the usability of the integrated approach developed by the Project and help its finetuning (but the project activities will not depend on these specific datasets).

- **After project end:** develop a decision-making software tool that enables easier communication in the cancer care continuum and between stakeholders.

This tool will contribute to the deployment/exploitation of the Project's outputs.



**Always check that all conditions (slide 17) are fulfilled**

# Project IKAA – potential examples

## What not?

- ✗ Preparation activities for the Consortium agreement (mandatory prerequisite)
- ✗ Activities essential to reach project objectives (must be IKOP)
- ✗ Activities carried out outside the EU or HE associated countries

## Few examples from IHI call 1

- After project end: organise a meeting to disseminate project results
- After project end: develop training program for a good use of tools developed by the project
- During and after project implementation: tests to evaluate the use of liquid fiducial markers for additional indications relevant to the project (but not directly covered in the project).  
Expanding the intended use of liquid fiducial markers will support the usage of fiducial markers in the project
- During project implementation: large animal lung cancer model development and refinement for the purposes of preclinical research and solution validation. This effort will result in the availability of a large animal lung cancer model, enabling assessment of new imaging, device, and potentially drug solutions for preclinical safety and efficacy. This will de-risk and potentially accelerate the clinical and commercial availability of solutions included in the project.

# Proposal Annex on IKAA

number in Project	Company name	Category of additional activities (select)	Type of additional activities (select)	<u>Confidential</u> Description of the additional activities	<u>Publishable</u> Description of the additional activities	Estimated period for the additional activity (before/during/after project)	Link to IHI Project ([Free text] to explain how the AA contributes towards the achievement of objectives of the IHI project, or the dissemination, sustainability or exploitation of the IHI project results)	Estimated TOTAL value  (Insert [amount] in EUR)
confidential	confidential	public	public	confidential	public	confidential	public	<i>public</i>

- **Confidential (yellow):** only shared with the applicant consortium, IHI staff and IHI Governing Board
- **Public (purple):** published on IHI website.
  - All public information must be provided (no empty cells)
  - Must be understandable by any reader (no acronyms)
  - Clear, concise

# IKOP vs IKAA

	IKAA		IKOP
	Project specific IKAA	Programme-specific IKAA	
<b>Scope</b>	Costs to implement AA that are <u>not</u> project tasks		Eligible costs in implementing <u>project tasks</u> (as specified in Annex 1-DoA of the Grant Agreement)
<b>Eligibility Timeframe</b>	Costs incurred from (full) proposal submission date and up to 2 years after project end date.	Costs incurred during IHI JU Programme implementation.  Costs must be incurred during the year foreseen in the annual IKAA Plan	Costs incurred during project implementation (from project start date to project end date)
<b>Contributors</b>	Only private members		Both private members and contributing partners  <a href="#">IMI2: EFPIA/AP</a>
<b>EU/ non-EU</b>	<u>Only EU</u>		EU and non-EU

# IKOP vs IKAA

	IKAA		IKOP
	Project specific IKAA	Programme-specific IKAA	
<b>Reporting tool</b>	Activities and costs reported <u>not</u> reported in the project Periodic Report but in a separate module via the Funding and tenders Portal		Activities and costs reported in the project Periodic Report, via the Funding and tenders Portal – same tool for all beneficiaries  <a href="#">IMI2: EFPIA/AP financial report in the SOFIA tool and technical report in project Periodic Report</a>
<b>Reporting deadline and content</b>	Reporting due each year <u>by 31 May of year N+1</u>	For the costs incurred during the last calendar year (1 January - 31 December of year N)	Reporting due <u>60 days</u> after the end of each reporting period  For the costs incurred between the start date and the end date of each reporting period  <a href="#">IMI2: EFPIA/AP reports and certify by 30 April each year</a>
<b>Audit Certification</b>	All IKAA should be certified to count for the matching. <u>No minimum threshold</u> .  Certification template available on IHI website.		If <u>funding requested = 0</u> : Certificate on the statements of contributions (CCS) required at the end of the project if $IKOP+FC \geq EUR\ 430\ 000$ (per beneficiary or affiliated entity).  If <u>requesting funding &gt; 0 (Hybrid)</u> : Certificate on the financial statements (CFS) required at the end of the project if requested IHI funding $\geq EUR\ 430\ 000$ (per beneficiary or affiliated entity) and irrespectively of the amount of IKOP and FC provided to the project  <a href="#">IMI2: EFPIA/AP certification – no minimum threshold</a>

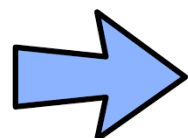


# One key threshold

# Min 45% contribution

*“Private members, their constituents or affiliated entities and contributing partners must contribute at least **45%** of the action’s eligible costs and costs for additional activities”*

**(IKOP + FC + IKAA) ≥ 45% of action’s (eligible costs + IKAA)**



[Annex on budget](#) verifies automatically if your proposal reaches 45%

**If threshold not reached collectively → (full) proposal NOT evaluated**

# Min 45% contribution

- Coordinator of the proposal must submit a [Declaration](#) (Annex) to confirm that the required 45% contribution will be provided
- 45% can be reached with only one or two contribution type (e.g only with IKOP)
- Only private members and contributing partners can contribute to the 45%

(during GAP, IHI office checks if private members are indeed members and if contributing partners have been approved by the IHI GB).

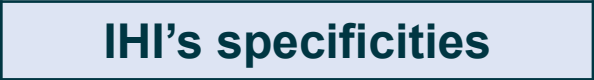
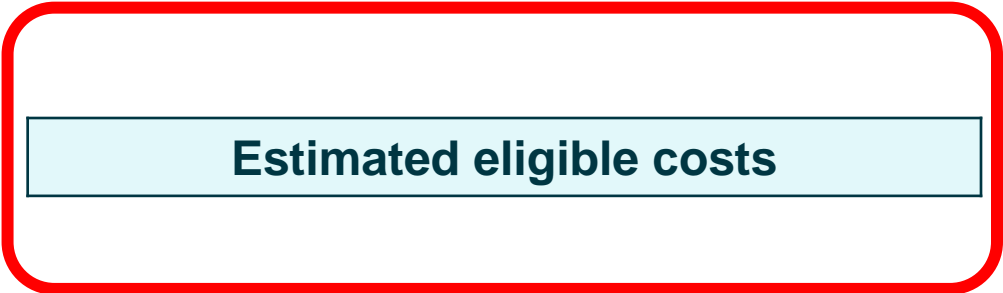
- 45% must be maintained during project implementation
- Prudent approach recommended for proposals: aim for 50%



# Estimated eligible costs

# Budget items

No.	Participant legal name	Role	Personnel costs	Subcontracting costs	Purchase costs			Internally invoiced goods and services	Indirect costs	Total Eligible costs	Funding Rate	Max EU contribution to eligible costs	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP In-kind contribution for operational activities	Non-EU IKOP	Own resources	Total estimated income	IKAA In-kind contribution for additional activities	
					Travel & Subsistence	Equipment	Other goods, works & services															



# Types of costs categories

Personnel costs	Subcontracting costs	Purchase costs			Internally invoiced goods and services (Unit costs)	Indirect costs	Total eligible costs
		Travel and subsistence	Equipment	Other goods, works and services			

All costs must fulfill cost eligibility criteria ([Art 6 MGA](#)):

*actual/real, recorded in the accounts, foreseen in the budget, necessary for the action, documented/auditable, etc.*



Only eligible costs can be reimbursed or be considered as in-kind contribution (IKOP)

# Personnel costs [\(art 6.2 A in MGA\)](#)

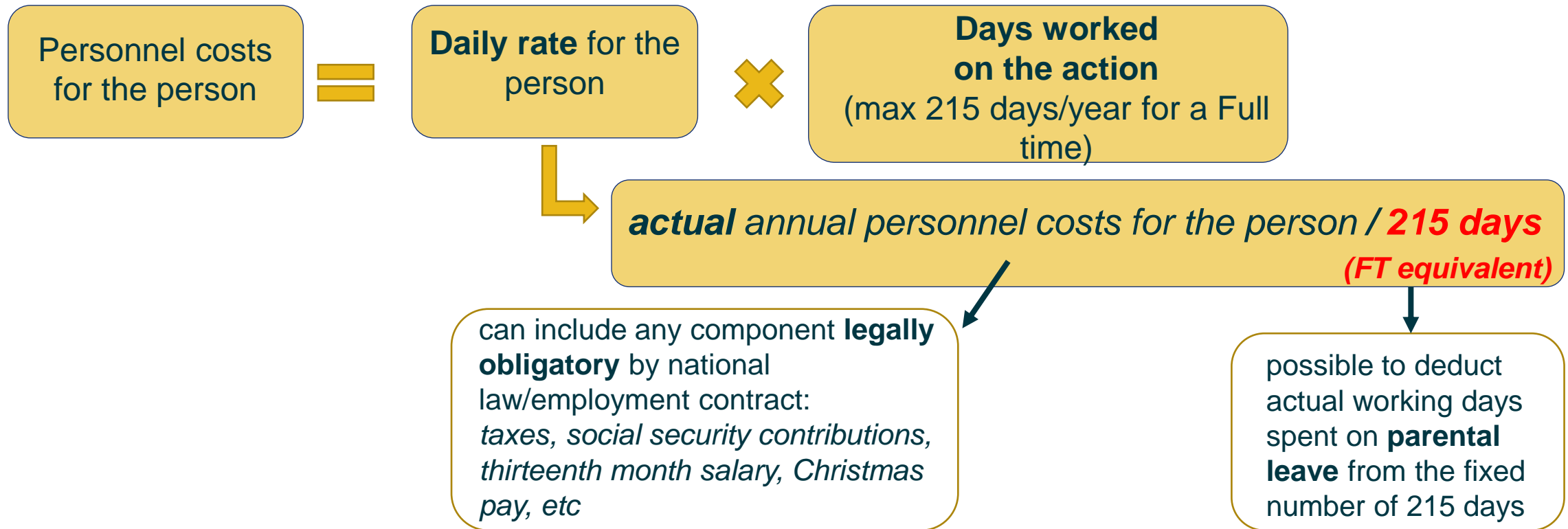
- Employees or equivalent (*fixed salary, employment contract*)
- Natural persons under direct contract other than an employment contract (*e.g in house-consultant*)
- Seconded personnel (persons employed and paid by a third party external to the project but put at the disposal of the Beneficiary against payment/for free) (*e.g University professor - researcher*)
- SME owners/natural persons without a salary (unit cost) (*distinction unit vs actual costs not made at proposal stage in budget table, only at Grant preparation stage*)

# Personnel costs

## Cost of employee (most common case)

Two options:

### 1. Use of actual costs (HE calculation method)





# Personnel costs

## Cost of employee (most common case)

2. Use of average personnel costs (unit cost) if according to beneficiary's usual cost accounting practices



Examples of calculation methods for Personnel costs are available in the [HE annotated model grant agreement](#)

# Subcontracting costs [\(art 9.3 and art 6.2 B in MGA\)](#)

- Beneficiary contracts a third party to work on project tasks
- Contractual link between subcontractor and beneficiary based on business conditions as it includes a profit margin for the subcontractor
- Selection of subcontractor: the beneficiary should follow its usual internal practice, ensure best value for money (or lowest price if appropriate), transparency, no conflict of interest
- No subcontracting allowed between beneficiaries

# Purchase costs [\(art 6.2 C in MGA\)](#)

- Travel, accommodation and subsistence
- Equipment (depreciation cost – part used for the project)
- Other goods, works or services, if necessary to implement the project
  - normally limited in scope (not project tasks)
  - If to implement project tasks → considered as subcontracting

# Internally invoiced goods and services

[\(art 6.2 D2 MGA\)](#)

- Goods or services that the beneficiary itself produces or provides to be directly used for the action (e.g: self-produced consumables, specific devices or facilities,...)
- Calculated as Unit cost following the beneficiary's usual cost accounting practices
- Fulfill the general eligibility conditions ([Art 6 MGA](#))

# Indirect costs [\(art 6.2 E in MGA\)](#)

- Fixed flat rate as 25% of the direct costs (excluding subcontracting costs and internally invoiced goods and services)
- Calculated automatically for all beneficiaries (also companies providing IKOP ≠ under IMI2)



No indirect costs should be included in the other costs categories (no double counting allowed)

e.g: average personnel costs – if usual practice is to include indirect costs in FTE\* rate  
→ the rate must be recalculated to exclude indirect costs

# Estimated EU contribution and other sources of financing

# EU contribution and other sources of financing

No.	Participant legal name	Role	Personnel costs	Subcontracting costs	Purchase costs			Internally invoiced goods and services	Indirect costs	Total Eligible costs	Funding Rate	Max EU contribution to eligible costs	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP In-kind contribution for operational activities	Non-EU IKOP	Own resources	Total estimated income	IKAA In-kind contribution for additional activities
					Travel & Subsistence	Equipment	Other goods, works & services														

Estimated eligible costs

Estimated EU contribution and other sources of financing

IHI's specificities

For all applicants







# How are participants costs covered?



- Reimbursed by IHI (= EU contribution)?
- Covered with own resources?
- Covered by financial contributions received (other than from IHI)? (e.g: from private members, contributing partners)?

## Several scenarios possible

- Can be with only one source of financing (e.g: only EU contribution)
- Can be with a combination (e.g: hybrid participant)
- Can be none (e.g: entity providing only IKOP)

# Costs reimbursed by IHI (EU contribution)

Funding rate	Maximum EU contribution	Requested EU contribution
Always <b>100%</b> <i>(Automatic)</i>	= Funding rate x total eligible costs <i>(Automatic)</i>	Amount of IHI funding requested to reimburse part/all project eligible costs  <i>(To encode manually)</i>

- 100% funding rate gives the wrong impression that all participants can get all their costs reimbursed **but it is not the case** because
    - Private members and contributing partners should bring at least **45% contribution to the project**
    - Some participants may not be eligible for funding  
(e.g: entities in the US, in Switzerland,...)
- Not all participants get (all) their costs reimbursed

# Simplified budget example

## Single-stage call proposals

Type of participant	Total eligible costs + ICAA	Funding rate	Reimbursed eligible costs	Contributions (IKOP,FC,ICAA)
<b>'Public partners'</b> (Universities, hospitals, SMEs, patient orgs, regulators..)	15 million	100%	15 million	0
<b>Private members &amp; contributing partners</b> (requested funding = 0)	15 million	100%	0	15 million
<b>Private members &amp; contributing partners</b> ( <u>'Hybrid'</u> ) (optional)	10 million	100%	5 million	5 million
<b>Total</b>	<b>40 million</b>	<b>100%</b>	<b>20 million (50%)</b> Public funds	<b>20 million (50%)</b> Private funds

# EU Contribution

- Participants eligible for funding
  - ‘Public partners’ (SMEs, universities, hospitals,...) request full reimbursement
  - Hybrid participants: can request some funding but keeping in mind 45% contribution should be reached + it will decrease the funding available for the other participants
- Participants not eligible for funding (e.g. outside EU) request zero EU contribution



**Who gets what part of funding?  
Important to discuss and agree among  
applicants**

# EU Contribution

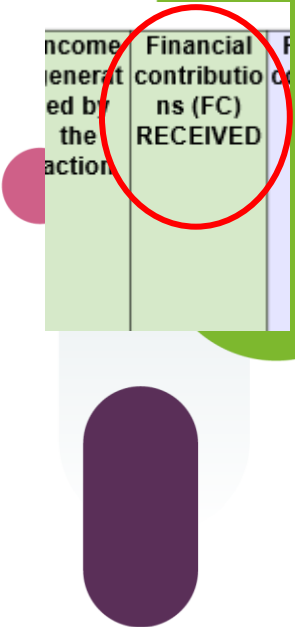
## UK participants:

- At proposal stage: eligible to request funding as UK is considered as HE associated country (even if ongoing agreement) → Beneficiary
- For successful proposals, during GAP, the requested funding could be
  - either covered by IHI (if UK do become HE associated country)
  - or covered by UK government (if UK does NOT become HE associated country)

**Swiss/US participants:** Can participate but are NOT eligible to receive EU funding (unless considered 'essential' for the project by external evaluators)

# Costs covered by financial contributions (FC)

- Amount expected to be received for the project, other than the EU contribution
- Includes FC received from Private Members, Contributing Partners, regional funds,...
- Beneficiaries receiving a FC must ensure they do not request EU funding for the costs already covered by a FC (no double funding allowed)



Income generated by the action	Financial contributions (FC) RECEIVED
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# Costs covered with own resources

Non-EU IKOP	Own resources	Total estimated income
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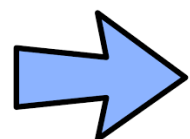
- Amount expected of own resources the participant plans to use for the implementation of the project
- When costs are not entirely covered by EU contribution or financial contribution or both
- Always zero for private members and contributing partners (own resources = IKOP)

# Simple example of sources of financing

Type of participant	Total eligible costs	Requested EU contribution	Financial contributions (FC) received	Own resources
'Public partners' (Universities, hospitals, SMEs, patient orgs, regulators..)	20 million	15 million	4 million	1 million

- Check that all costs are 'covered' **but** no profit

Total eligible costs = (requested EU + financial contributions + own resources)



[Annex on budget](#) automatically checks if your proposal budget is correctly completed





- Annex on Budget

# Budget table in EC IT tool (funding and tenders portal)



## 3 - Budget

No.	Name of beneficiary	Country	Role	Personnel costs/€	Subcontracting costs/€	Purchase costs - Travel and subsistence /€	Purchase costs - Equipment/€	Purchase costs - Other goods, works and services/€	Internally invoiced goods and services/€ (Unit costs-usual accounting practices)	Indirect costs/€	Total eligible costs	Funding rate	Maximum EU contribution to eligible costs	Requested EU contribution to eligible costs/€	Max grant amount	Income generated by the action	Financial contributions	Own resources	Total estimated income



One standard budget table for all EU grants

Does **not** contain JU specific budget items: **IKOP, FC paid, IKAA missing**

→ Budget in proposal Part A is incomplete

→ the 45% threshold cannot be calculated

# IHI proposal Annex on budget

Participant type <i>(please select)</i>	Participant legal name	Total Eligible costs (include personnel, purchase, subcontracting, internally invoiced goods and services and 25% indirect costs)	Funding Rate	Max EU contribution to eligible costs [Funding rate * Total eligible costs]	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP (Total eligible costs - requested EU contribution - FC received)	Non-EU part of IKOP	Own resources	Total estimated income [columns N+O+P+R+T]	IKAA
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- Includes IKOP, non-EU IKOP, FC paid, IKAA
- [Mandatory Annex on budget](#) – **to be submitted** as part of the proposal
  - ✓ calculates automatically the thresholds
  - ✓ does not allow values to be entered in cells when not applicable
  - ✓ figures become red when something is wrong
  - ✓ Warning messages to avoid wrong data are entered



**Two compulsory steps** for your proposal budget:  
First fill in the IHI Annex on budget AND then insert budget in EC IT tool

# Ensure consistency\*

## IHI Annex on budget

Participant type <i>(please select)</i>	Participant legal name	Total Eligible costs (include personnel, purchase, subcontracting, internally invoiced goods and services and 25% indirect costs)	Funding Rate	Max EU contribution to eligible costs [Funding rate * Total eligible costs]	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP Total eligible costs requested EU contribution - FC received)	Non-EU part of IKOP	Own resources	Total estimated income [columns N+O+P+R+T]	IKAA
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## EC IT tool (proposal submission environment)

No.	Name of beneficiary	Country	Role	Personnel costs/€	Subcontracting costs/€	Purchase costs - Travel and subsistence /€	Purchase costs - Equipment/€	Purchase costs - Other goods, works and services/€	Internally invoiced goods and services/€ (Unit costs-usual accounting practices)	Indirect costs/€	Total eligible costs	Funding rate	Maximum EU contribution to eligible costs	Requested EU contribution to eligible costs/€	Max grant amount	Income generated by the action	Financial contributions	Own resources	Total estimated income
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\* In case of discrepancies between values, the ones encoded in the EC IT tool will prevail.

# IHI Annex on budget

- Excel document with 4 tabs:
  - Instructions
  - Simplified budget (optional)
  - Detailed budget (compulsory)
  - Check results

# 'Simplified budget' tab (optional)

- Only 3 rows  
1 row per type of participant
- Test different budget scenarios
- Verify quickly if your proposal is eligible/reaches the 45%



Participant types	TOTAL ELIGIBLE COSTS	REQUESTED EU FUNDING	FC received	IKOP	Non-EU IKOP	FC paid	IKAA	Total Industry
	Total costs include personnel, purchase, subcontracting and 25% indirect costs*	Up to 100% of total costs for entities eligible to receive funding**	Cash received by PMs/CPs/other sources to cover eligible costs	IKOP equals (Total eligible costs - Requested EU funding - FC received). It includes both EU and non-EU IKOP.	Part of IKOP that is "Non-EU". Non-EU IKOP must be ≤ IKOP	Cash paid by PMs/CPs to beneficiaries receiving funding (not in proposal budget)	Costs for additional activities	(IKOP + FC paid + IKAA)
All Beneficiaries requesting funding only (BRs) (not providing IKOP/FC/IKAA)	€0	€0	€0	/	/	/	/	/
All IHI private members (PMs) (requesting funding or not)	€0	€0	€0	€0	€0	€0	€0	€0
All IHI contributing partners (CPs) (requesting funding or not)	€0	€0	€0	€0	€0	€0	/	€0
<b>TOTAL</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>

Cells editable

Cells calculated automatically

Cells not applicable

# 'Simplified budget' tab

- See directly if the 45% threshold is met

RESULTS

	TOTAL ELIGIBLE COSTS	REQUESTED EU FUNDING	FC received	IKOP	Non-EU IKOP	FC paid	IKAA	Total Industry
	Total costs include personnel, purchase, subcontracting and 25% indirect costs*	Up to 100% of total costs for entities eligible to receive funding**	Cash received by PMs/CPs/other sources to cover eligible costs	IKOP equals (Total eligible costs - Requested EU funding - FC received). It includes both EU and non-EU IKOP.	Part of IKOP that is "Non-EU". Non-EU IKOP must be ≤ IKOP	Cash paid by PMs/CPs to other participants (counts for the 45% only if the recipient of the FC is eligible for funding)	Costs for additional activities	(IKOP + FC paid + IKAA)
All Beneficiaries requesting funding only (BRs) (not providing IKOP/FC/IKAA)	€0	€0	€0	/	/	/	/	/
All IHI private members (PMs) (requesting funding or not)	€0	€0	€0	€0	€0	€0	€0	€0
All IHI contributing partners (CPs) (requesting funding or not)	€0	€0	€0	€0	€0	€0	/	€0
<b>TOTAL</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>

\* Note that indirect costs are calculated automatically as 25% of direct costs (on personnel and equipment, but not on subcontracting costs) for all types of participants.

\*\* In a single-stage Call, any legal entity established in a Member State, associated country or low- and middle-income country is eligible to receive funding. The sum of the requested EU contribution and the FC received of a participant should not exceed its total eligible costs.

CHECK RESULTS:	Check description	Formula	Result	Action(s) needed
<b>MANDATORY CHECK</b> 45% ELIGIBILITY CRITERIA	Min 45% contribution from IHI private members and/or IHI contributing	$(IKOP + FC\ paid + IKAA) \geq 45\%$ of action's (eligible costs + IKAA)	0.00%	The threshold of 45% is not reached and your proposal is therefore NOT eligible. You need to further increase IKOP, FC paid or IKAA (or a combination of those contributions) in order to reach the 45% threshold.
<b>IMPORTANT CHECK</b> 30% NON-EU IKOP	Max 30% Non-EU IKOP	$Non-EU\ IKOP \leq 30\%$ total IKOP	0.00%	The non-EU IKOP in your proposal remains under 30%. No action needed.
<b>OPTIONAL CHECKS</b>	Total FC paid should equal total FC received, unless FC are received from a source external to the	$Total\ FC\ paid - total\ FC\ received = 0$	€0.00	The total financial contributions paid equal the total financial contributions received. No action needed.
	Max 40% IKAA	$IKAA \leq 40\%$ total (IKOP + IKAA) from private members	0.00%	The IKAA in your proposal remains under 40%. No action needed.

# Check results



Blocking

CHECK RESULTS:	Formula
<b>MANDATORY CHECK</b> 45% ELIGIBILITY CRITERIA	$(IKOP + FC + IKAA) \geq 45\%$ of action's (eligible costs + IKAA)

Result	Action needed
If < 45%	Increase IKOP, FC or IKAA to reach 45%



Result
if 45 - 49%



Result
If $\geq 50.00\%$

<b>IMPORTANT CHECK</b> 30% NON-EU IKOP	Non-EU IKOP $\leq 30\%$ total IKOP
<b>OPTIONAL CHECKS</b>	Total FC paid - total FC received = 0
	IKAA $\leq 40\%$ total (IKOP + IKAA) from private members

If > 30%	Reduce at GAP but keep min. 45% contribution
If $\neq 0$	Check if correct
If > 40%	PM(s) to inform association office



Red but not blocking



# 'Detailed budget' tab (compulsory)

- More cost categories
- 1 row for each participant
- Verify the budget is completed correctly before inserting it in the EC IT Tool

	Participant type <i>(please select)</i>	Participant legal name	Total Eligible costs (include personnel, purchase, subcontracting, internally invoiced goods and services and 25% indirect costs)	Funding Rate	Max EU contribution to eligible costs [Funding rate * Total eligible costs]	Requested EU contribution to eligible costs	Income generated by the action	Financial contributions (FC) RECEIVED	Financial contributions (FC) PAID	IKOP (Total eligible costs - requested EU contribution - FC received)	Non-EU part of IKOP	Own resources	Total estimated income [columns N+O+P+R+T]	IKAA
44			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
45			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
46			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
47			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
48			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
49			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/
50			€0.00	100%	€0.00	€0.00	€0.00	€0.00	/	/	/	€0.00	€0.00	/

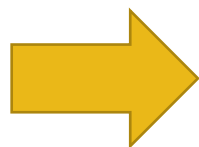
START HERE

Continue here

Cells editable

Cells calculated automatically

Cells not applicable



Check results (slide 55) and correct if necessary



- # Practical Example

**How to build your proposal budget table?**

# Build your proposal budget

## Follow these steps

### In the Annex on budget:

- Calculation of the contribution from Private Member and Contributing partners
- Calculation the remaining funding available for Beneficiaries requesting funding only
- Bring those beneficiaries requesting funding only ('public partners')
- Test other budget scenarios in 'Simplified budget' tab, if needed (optional)
- 'Detailed budget' tab must be filled (compulsory)

### In EC IT submission tool:

- When budget correct in IHI Annex, encode budget in EC IT submission tool and ensure values are the same as in the Annex



- # Practical Example

## Single stage call Proposal

EU funds available for targeted topic:	10,000,000
Matching needed by Private Members and Contributing partners contributions:	10,000,000*

\*50% is a prudent approach but 45% of the action's (eligible costs + IKAA) is the formal minimum

## Step 1: Calculation of the contribution from Private Member and Contributing partners

(IKOP+FC+IKAA) needs to equal the total amount of EU funding available to consortium (EUR 10,000,000)

No	Participant type	Eligible Costs	Requested EU contribution	IKOP	IKAA	FC paid	Contribution (IKOP+FC+IKAA) = EC funding available
A	Private members (Hybrid)	6,000,000	3,000,000	3,000,000	0	2,000,000	5,000,000
B	Private members	2,000,000	0	2,000,000	0	0	2,000,000
C	Contrib. partner	1,500,000	0	1,500,000	0	0	1,500,000
D	Private members (Hybrid)	1,500,000	1,000,000	500,000	1,000,000	0	1,500,000
	<b>TOTALS</b>	<b>11,000,000</b>	<b>4,000,000</b>	<b>7,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>10,000,000</b>

## Step 2: Calculation the remaining funding available for Beneficiaries requesting funding only ('public partners') - e.g. SMEs, Universities, ...

- [Total contribution (IKOP+FC+IKAA)] – [Industry requested EU contribution] = EU funding left available
- Based on the EU funding that remains available, bring on board the other beneficiaries

No	Participant type	Contribution (IKOP+FC+IKAA)	Requested EU contribution	Funding Remaining (Contribution – Reimbursement)
A	Private members (Hybrid)	5,000,000	3,000,000	2,000,000
B	Private members (only IKOP)	2,000,000	0	2,000,000
C	Contrib. partner (Hybrid)	1,500,000	0	1,500,000
D	Private members (Hybrid)	1,500,000	1,000,000	500,000
	<b>TOTALS</b>	<b>10,000,000</b>	<b>4,000,000</b>	<b>6,000,000</b>

= 10,000,000 – 4,000,000

## Step 3: Bring those beneficiaries requesting funding only ('public partners')

Make sure their requested funding remains within the limits available (EUR 6,000,000)

Consortium Partner	Eligible Costs	Requested EU contribution	IKOP	IKAA	FC received	Total Contribution (IKOP+FC+IKAA)
Private A	6,000,000	3,000,000	3,000,000	0	0	5,000,000*
Private B	2,000,000	0	2,000,000	0	0	2,000,000
Private C	1,500,000	0	1,500,000	0	0	1,500,000
Private D	1,500,000	1,000,000	500,000	1,000,000	0	1,500,000
SME X	2,500,000	1,500,000	/	/	1,000,000	0
Large company Y	3,000,000	1,500,000	/	/	0	0
Hospital Z	4,000,000	3,000,000	/	/	1,000,000	0
<b>TOTALS</b>	<b>20,500,000</b>	<b>10,000,000</b>	<b>7,000,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	<b>10,000,000</b>

= 6,000,000

\* Includes 2,000,000 FC paid (see slide 60)

## Step 4: IHI Annex on budget – ‘Simplified budget’ tab (optional)

Participant types	Total eligible costs	Requested EU Contribution	FC received	IKOP	Non-EU IKOP	FC paid	IKAA	Total Industry
<b>All Beneficiaries requesting funding only</b> (not providing IKOP/FC/IKAA)	€9,500,000	€6,000,000	€2,000,000	/	/	/	/	/
<b>All IHI private members</b> (requesting funding or not)	€9,500,000	€4,000,000	€0	€5,500,000	€0	€2,000,000	€1,000,000	€8,500,000
<b>All IHI contributing partners</b> (requesting funding or not)	€1,500,000	€0	€0	€1,500,000	€0	€0	/	€1,500,000
<b>TOTAL</b>	<b>€20,500,000</b>	<b>€10,000,000</b>	<b>€2,000,000</b>	<b>€7,000,000</b>	<b>€0</b>	<b>€2,000,000</b>	<b>€1,000,000</b>	<b>€10,000,000</b>



## Step 4: IHI Annex on budget – ‘Check results’ tab



CHECK RESULTS:	Formula	Result	Action(s) needed
<b><u>MANDATORY</u> CHECK</b> <b>45% ELIGIBILITY CRITERIA</b>	$(IKOP + FC + IKAA) \geq 45\%$ of action's (eligible costs + IKAA)	46.51%	Your proposal is eligible as the 45% threshold is reached. However, you could further increase IKOP, FC paid or IKAA (or a combination of those contributions) in order to secure 50% and adopt a prudent approach.
<b><u>OPTIONAL</u> CHECKS</b>	Total FC paid - total FC received = 0	€0.00	The total financial contributions paid equal the total financial contributions received. No action needed.
	$IKAA \leq 40\%$ total (IKOP + IKAA) from private members	15.38%	The IKAA in your proposal remains under 40%. No action needed.
	Non-EU IKOP $\leq 30\%$ total IKOP	0.00%	The non-EU IKOP in your proposal remains under 30%. No action needed.

## Step 5: Test other budget scenarios if needed (optional)

Potential options to reach 50%:

- Decrease Industry 'Requested EU contribution' to automatically increase the 'IKOP'
- Increase Industry costs to automatically increase the 'IKOP'
- Increase 'IKAA'
- A combination of the above

Participant types	Total eligible costs	Requested EU Contribution	FC received	IKOP	Non-EU IKOP	FC paid	IKAA	Total Industry
All Beneficiaries requesting funding only	€9,500,000	€6,000,000	€2,000,000	/	/	/	/	/
All IHI private members	€9,500,000	€3,000,000	€0	€6,500,000	€0	€2,000,000	€1,000,000	€9,500,000
All IHI contributing partners	€1,500,000	€0	€0	€1,500,000	€0	€0	/	€1,500,000
<b>TOTAL</b>	<b>€20,500,000</b>	<b>↘ €9,000,000</b>	<b>€2,000,000</b>	<b>↗ €8,000,000</b>	<b>€0</b>	<b>€2,000,000</b>	<b>€1,000,000</b>	<b>↗ €11,000,000</b>

CHECK RESULTS:	Formula	Result	Action(s) needed
<b><u>MANDATORY</u> CHECK 45% ELIGIBILITY CRITERIA</b>	$(IKOP + FC + IKAA) \geq 45\%$ of action's (eligible costs + IKAA)	51.16%	Your proposal is eligible as it reaches the 45% threshold of total industry contribution. It even reaches 50%, which is the prudent approach IHI recommends.

**Step 6: IHI Annex on budget – ‘Detailed budget’ tab (compulsory)**

**Step 7: IHI Annex on budget – ‘Check results’ tab and adapt if necessary**

**Step 8: When budget correct in IHI Annex, encode budget table in the EC IT submission tool and ensure consistency with values in Annex on budget**



**You're done!**

# Participant types in budget table

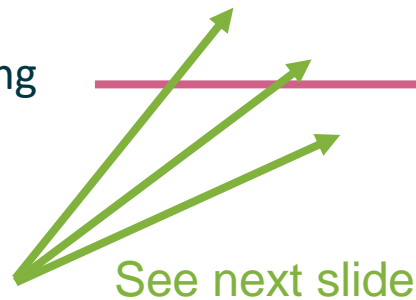
## Single-stage call

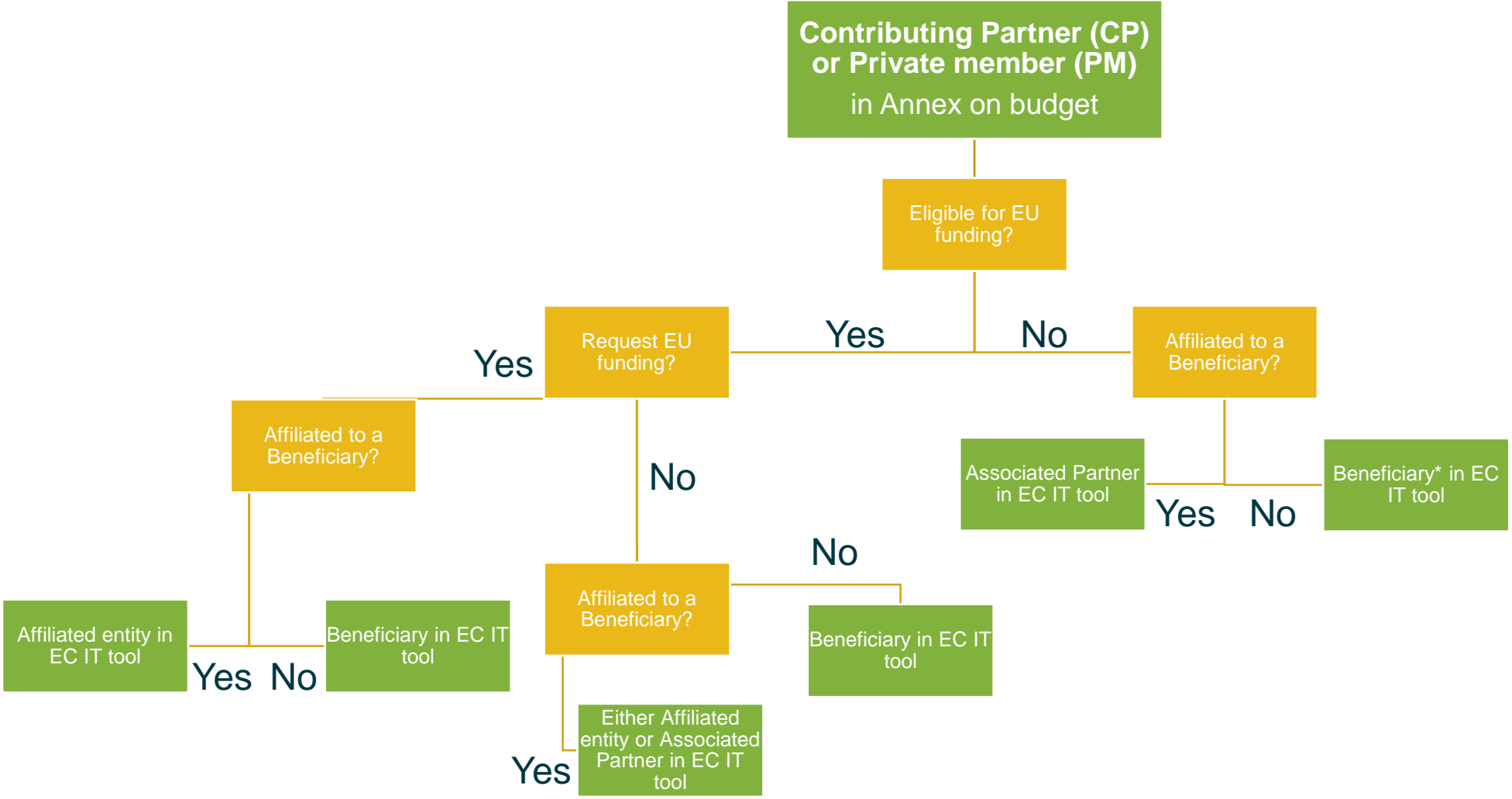
### Annex on budget

- Beneficiary requesting funding only (including affiliated entities)
- Associated Partner (not requesting funding/not eligible for funding)
- Private member (hybrid or not, including affiliated entities)
- Contributing Partner (hybrid or not, including affiliated entities)

### EC IT tool

- Beneficiary
- Affiliated entity
- Associated Partner





\* CP may be eligible to receive funding providing a) their participation is assessed and judged essential by the IHI programme office; b) their application letter for CP status is reviewed and approved by the IHI JU Governing Board, c) that provision of IHI JU funding to the CP is merited to address the needs of the project/call topic. PM may be eligible to receive funding providing their participation is assessed and judged essential by the independent external experts evaluating the project proposal.

# Reference documents

- [Model Grant Agreement](#) (MGA) for Horizon Europe, including Annex 5 applicable to Jus
- [Draft AGA](#) annotated version of MGA (no annotations for Annex 5)
- [Frequently asked questions](#) for IHI Calls
- [IHI guide for applicants](#)
- [IKAA guidelines](#)
- [Annex on budget](#) for Call 5
- [Guide for Contributing Partners](#)



Thank you for your attention



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