

## Commission's assessment on the proposal of regulations on additional project-based remunerations

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As an important foreword, we understand that the proposed model regulation is intended to be used as a **generic template** to guide Polish institutions on the development of their own internal rules for the payment of additional project-based remunerations. This is what is indicated in the very beginning of the document by the *'proposed provisions constitute regulations meeting the guidelines of the European Commission. They were developed as a template, therefore, modifications are possible in accordance with the characteristics and needs of each institution, maintaining however the basic principles'*.

Against this background, our assessment can only be **limited to the basic provisions that are proposed in this template** but without giving any further assurance on the full compliance with Horizon Europe rules of all possible internal rules that may be further developed by individual institutions.

This being said, please find below further comments on the (basic) provisions of this template.

- 1. On the first provision** stating that: *'For the time worked in projects financed from external sources (national and foreign) an employee will be paid an additional remuneration in the amount of X% of his basic remuneration (or as a specific amount defined in Annex no. x), in proportion to his working time in the project'*

It is possible to set up project-based remuneration rules based on the logic of a top-up funding based either on an extra salary of X % for the time an employee works for those projects or on a specific fixed amount. For the sake of further clarity, it may be advisable to precise the time-period of reference on which this percentage or this specific fixed amount will be calculated. An example, based on a percentage, could be:

*X % of the monthly basic remuneration and in proportion to his/her working time in the project over the working time of the month.*

- 2. On the second and third provisions** regarding the role of a given individual in a project to determine his/her level of additional project-based remuneration (i.e. project manager or work package manager):

It can indeed be possible to have specific level of additional project-based remuneration based on specific and objective criteria such as the role in the project that a given individual will have.

The more complex systems that differentiate the level of additional remuneration depending on a greater number of criteria (as mentioned in the *'explanation to the regulations'* part of

the document) will be subject to same requirements, notably that the level of additional project-based remuneration is based on specific and objective criteria.

### **3. On the fourth provision regarding the possible basic remuneration components**

In your template it is indicated that: *'[...] but the final list of components is established on the basis of institution's internal regulations'*.

In that respect, we would like to recall that the simple fact that component are flagged and listed as basic remuneration components by the beneficiary does not guarantee their eligibility in the personnel cost calculation.

In any case, for being eligible under Horizon Europe rules, remuneration components must fulfil the general cost eligibility conditions set out under Article 6.1 of the HE MGA (e.g. they must comply with the applicable national law on taxes, labour and social security; they must be actually incurred and definitively born by the beneficiary; they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency etc.) and the specific cost eligibility conditions set out under Article 6.2.A.1 of the HE MGA (notably they are linked to the remuneration, registered as personnel costs in accordance with the beneficiary's usual remuneration practices and arise from national law or the employment contract). In this respect, variable components, for instance, must be based on objective conditions set out, at least, in the internal rules of the beneficiary.

### **4. On the fifth provision regarding the non-applicability of the internal rules in certain externally-funded projects.**

For awareness raising and clarity reasons, it may indeed be possible to recall that internal rules on additional project-based remuneration cannot apply when the rules of the externally funding body do not allow so. As a side and minor formal remark on the *'explanation to the regulations'* part, please note that the Horizon Europe Marie Skłodowska Curie Actions are not based, strictly speaking, on lump sums but on unit contributions payments.

### **5. On the sixth provision putting in place a limit for the total remuneration received by an individual**

It is indeed possible to apply some ceilings (or at least recommendations) from the Polish Ministry for Sciences to frame/ensure consistency as regards the total amount of remuneration in the Research field as reliable benchmark. This may also further ensure compliance with the principle of sound financial management, no excessive or reckless costs as set out in the general cost eligibility conditions of the Horizon Europe Model Grant Agreement. Yet, we understand from the *'explanation to the regulations'* part of the document that it is not yet decided whether there will be, in any case, a maximum ceiling imposed by the Research and Higher Education ministry. We assume that this point will certainly be subject to clarification demands from individual Polish institutions before further elaborating/revising their project-based remuneration internal rules.

### **6. On the seventh provision regarding the applicability date of any internal rules setting-up additional project-based remuneration**

This will indeed ensure clarity and legal certainty for both the individual institution involved as beneficiary and its employees that will know from which moment and for which projects they may rely on these rules on additional project-based remuneration.