

Webinar Report

Building Capacity in the Ukrainian R&I Ecosystem

Financial Management of Research Projects: From Grant Application to Successful Implementation

25 September 2026

NATIONAL RESEARCH FOUNDATION OF UKRAINE

SCIENCE EUROPE
Shaping the future of research

Colophon

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Report of the 5th Webinar on Building Capacity in the Ukrainian R&I Ecosystem: 'Financial Management of Research Projects: From Grant Application to Successful Implementation'

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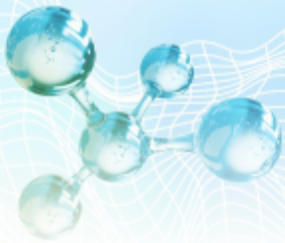


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Context

Effective financial management is an integral part of successful research project implementation. Sound financial planning, proportionate administrative procedures, and clear reporting and monitoring arrangements are essential not only for ensuring compliance with funding requirements, but also for enabling researchers and research institutions to use available resources efficiently and focus on delivering the intended scientific outcomes.

For research funding organisations (RFOs) and research performing organisations (RPOs), financial management extends across the entire project life-cycle, from developing realistic budgets and assessing resource needs at the application stage to managing funds during implementation, reporting expenditure, and responding to changes in project activities and budgets. The approaches presented across European research funding and performing organisations show an increasing emphasis on **proportionality, flexibility, and trust-based management**, with financial controls calibrated to the level of risk and the nature of the funding instrument. Simplified reporting models, including lump-sum funding, can reduce administrative burdens, while appropriate monitoring, audit, and accountability mechanisms remain important safeguards for the responsible use of public funds.

The effectiveness of financial management also depends on the institutional environment in which research projects are implemented. Clearly defined responsibilities, professional research management capacity, appropriate internal procedures and tools, and effective communication between researchers, institutions, and funders can facilitate compliance while reducing unnecessary administrative complexity. At the same time, maintaining an appropriate degree of flexibility and ensuring that principal investigators (PIs) remain actively involved in decisions concerning the scientific and resource needs of their projects are important for enabling research to respond to changing circumstances.

For Ukraine, strengthening these capacities is particularly relevant as the national research and innovation system continues to develop and deepen its integration into the European Research Area. Amid the challenges posed by Russia's ongoing war against Ukraine, effective use of available research funding, proportionate financial controls, transparent procedures, and well-developed research management capacity can support the resilience and sustainability of the research and innovation ecosystem. Experience from European RFOs, RPOs, and the European Commission can provide practical reference points for further developing Ukrainian approaches to financial planning, grant management, reporting, and accountability. Effective financial management is an integral part of successful research project implementation. Sound financial planning, proportionate administrative procedures, and clear reporting and monitoring arrangements are essential not only for ensuring compliance with funding requirements, but also for enabling researchers and research institutions to use available resources efficiently and focus on delivering the intended scientific outcomes.

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the challenges posed by Russia's ongoing war against Ukraine, effective use of available research funding, proportionate financial controls, transparent procedures, and well-developed research management capacity can support the resilience and sustainability of the research and innovation ecosystem. Experience from European RFOs, RPOs, and the European Commission can provide practical reference points for further developing Ukrainian approaches to financial planning, grant management, reporting, and accountability.

Introduction

The 5th webinar in the Science Europe–NRFU series Building Capacity in the Ukrainian Research and Innovation Ecosystem, entitled 'Financial Management of Research Projects: From Grant Application to Successful Implementation', took place on 25 September 2026.

The session focused on key aspects of financial management throughout the research project life-cycle, from budget preparation and grant set-up to financial monitoring, reporting, and the management of changes during project implementation.

The webinar brought together perspectives from the European Commission, a national research performing and a national research funding organisation to examine different approaches to organising financial management processes and supporting researchers in meeting financial and administrative requirements. The presentations covered actual-cost and lump-sum funding models, budget planning and amendments, financial reporting and control procedures, the role of research management staff, and the use of internal tools and support mechanisms to facilitate project implementation.

The session also provided an opportunity to consider practical approaches to financial management in different institutional and funding contexts, with particular attention to the organisation of responsibilities, communication between researchers and funders, and the administrative arrangements supporting effective project implementation.

Objectives of the Webinar

The webinar aimed to strengthen understanding of effective and proportionate approaches to financial management throughout the research project life-cycle and to explore how funding and research performing organisations can support researchers while maintaining appropriate financial accountability.

Specific objectives included presenting practical approaches to budget preparation and cost planning; comparing different models of financial management, reporting, and control; discussing the advantages and implications of actual-cost and lump-sum funding; examining approaches to budget flexibility and project amendments; and identifying practical mechanisms for reducing administrative burdens while maintaining transparency and oversight.

The webinar also aimed to highlight the role of professional research management, clear allocation of responsibilities, internal support tools, and effective communication in facilitating successful project implementation. By bringing together representatives of European and Ukrainian research and innovation stakeholders, the session provided an opportunity to exchange practical experience and identify approaches that may inform the further development of Ukrainian practices in financial planning, grant management, reporting, and accountability.

The full recording is available on YouTube:

View the recording

Opening Presentation

Lidia Borrell-Damián, Secretary General of Science Europe, opened the webinar by recalling its support for the National Research Foundation of Ukraine (NRFU) and the wider Ukrainian research and innovation system since the outbreak of the full-scale war. She highlighted the role of Science Europe and its Member Organisations in fostering dialogue, exchanging experience, and supporting the development of effective research policies and conditions for researchers across Europe. In this context, she reaffirmed Science Europe's commitment to working closely with the NRFU and contributing to the resilience and continued development of Ukraine's research system. She provided an overview of the joint Science Europe–NRFU webinar series which began in September 2025 and has addressed a range of priority issues of strategic and practical relevance to research systems, including research funding, project monitoring, Open Science, research assessment, and financial management. She noted that the themes are identified jointly with NRFU in response to Ukraine's priorities, while also reflecting challenges of broader relevance to research funding and performing organisations across Europe. She emphasised the mutual value of the exchange, with the series providing an opportunity to support the Ukrainian research system while also enabling European organisations to share experience and reflect collectively on issues that require sustained attention across research systems.

Panel Discussion

Aleksandra Butowt, Directorate-General for Research and Innovation (DG RTD), European Commission, presented Horizon Europe's approaches to the financial management of research projects, focusing on the use of actual cost and lump-sum grants. The presentation covered the main differences between the two funding models, including their approaches to financial reporting, cost eligibility and supporting documentation. Particular attention was given to the practical implications of lump-sum funding, including the reduced administrative burdens and lower risk of financial reporting errors, as well as the specific requirements for preparing a detailed budget at the proposal stage, which forms the basis for establishing the lump-sum amount.

Butowt also highlighted practical tools available through the EU Funding & Tenders Portal, which provides the relevant legal documents, application and reporting templates, and guidance for Horizon Europe calls. She stressed that financial management requirements depend on the type of grant and that beneficiaries should carefully consult the documentation specific to the call and topic concerned. The choice between actual cost and lump-sum funding is made by the European Commission and specified in the call conditions rather than by the applicant. She noted that lump-sum funding is becoming increasingly common in Horizon Europe, with lump sums accounting for around half of the call budget under the 2026–2027 Work Programme. She also emphasised that the shift towards lump-sum funding is intended to simplify financial management while maintaining appropriate oversight of the use of public funding.

Questions and Discussion

During the Q&A session, participants discussed practical aspects of financial management and reporting under Horizon Europe, including the use of appropriate budget templates, reporting requirements for complex projects, and the submission of Certificates on the Financial Statements (CFS). Particular attention was given to the use of up-to-date templates available for specific calls through the Funding & Tenders Portal and submission system, as well as to the procedure for addressing difficulties related to meeting reporting deadlines and the importance of timely communication with the relevant Project Officer. The discussion also touched upon the further development of these arrangements under the next EU Framework Programme (FP10), noting that the relevant procedures are still under development.

Gloria Gonzalez, Research Manager, Madrid Institute of Materials Science (ICMM-CSIC), presented the CSIC approach to the financial management of Horizon Europe projects within a large and highly decentralised research performing organisation. She focused on the roles of different institutional actors and the internal tools used to support researchers throughout the project cycle, from budget preparation and project set-up to financial reporting and amendments. A key

feature of the CSIC model is a distributed support structure linking research centres with specialised units at headquarters, including international programmes, accounting, and project financial management. Particular attention was given to the value of clear internal procedures and templates tailored to the organisation's specific needs and national context, which can provide a practical framework for the effective management of Horizon Europe projects. The use of a second-level financial review prior to the submission of reports to the European Commission was also presented as an additional internal quality-control mechanism.

She emphasised that the practical effectiveness of such a system depends on clearly defining who does what and when and ensuring effective communication between all actors involved. She advised organisations to invest time in establishing internal procedures and support tools at an early stage, and to update them regularly based on experience, including lessons identified through audits. Particular emphasis was placed on investing in research management capacity: dedicated research management staff can provide essential support to researchers, facilitate compliance with funding requirements, and help institutions manage increasingly complex projects. Gonzalez also stressed that administrative structures should ultimately serve the needs of research, with researchers and PIs remaining central to decisions concerning the scientific and resource requirements of their projects.

Questions and Discussion

Participants raised concerns about whether the multiple internal approvals and levels of institutional oversight involved in such a model could create excessive bureaucracy. Gonzalez acknowledged this challenge, noting that a large organisation cannot operate like a start-up and that some administrative requirements are inherent in managing substantial public funding. At the same time, she stressed the importance of finding an appropriate balance and using the flexibility available under the funding rules to keep procedures proportionate and manageable. In response to a question about the role and autonomy of PIs in budget management and amendments, she explained that the PI should remain the main driver of the project, working in close dialogue with research managers and administrative staff. While certain financial conditions are externally determined, decisions concerning project needs, such as staffing and equipment, should be guided primarily by the researchers. The institutional role, in her view, is to facilitate research while ensuring proper and accountable use of funding.

Katriin Pirk, Research Funding Officer, Estonian Research Council (ETAG), presented ETAG's approach to the financial management of personal research grants, which is based on the principles of trust and proportionality. This approach is reflected in simplified financial reporting, with grant expenditure generally reported on the basis of statements rather than through the routine submission of supporting documents. At the same time, the trust-based approach is complemented by appropriate control mechanisms, including audits, contractual measures in cases where ineligible expenditure is confirmed, and additional verification of staff costs to ensure that the personnel costs charged to the grant are directly related to the funded project.

An important element of the ETAG approach is also the provision of practical support to researchers through clear guidance, information webinars and direct access to research funding officers, enabling questions related to financial and administrative requirements to be addressed at an early stage.

The presentation also covered ETAG's flexible approach to project budget management, which combines the possibility of adapting the use of funds during project implementation with appropriate oversight of significant budget changes. The approach allows researchers to adjust the use of project resources as implementation progresses, while more substantial reallocations remain subject to prior review. An important feature of this model is the involvement of a scientific assessment committee in reviewing significant changes, ensuring that decisions on the use of research funding take into account the substance and objectives of the research project.

Questions and Discussion

Questions from the audience covered practical aspects of budget management and financial control, including the conditions for changes to approved budgets, verification of staff costs, and the use of automated tools in financial checks. Particular attention was given to the distinction between minor budget adjustments that can be addressed through regular reporting and more substantial reallocations requiring prior approval and formal amendment of the grant agreement. The discussion also addressed approaches to verifying staff costs and the potential for further automation of financial control processes, with ETAG currently combining manual checks with information-system support.

Conclusions from the Discussion

The discussion highlighted that effective financial management of research projects requires a balance between flexibility, trust, and accountability.

The webinar highlighted the practical value of **developing institutional approaches** to research management rather than relying solely on general funding rules. Clearly defined responsibilities, internal procedures and tailored support tools can help translate funding requirements into practical processes adapted to an organisation's specific context. At the same time, dedicated **research management capacity** can reduce the administrative burden on researchers, strengthen compliance and improve the overall efficiency of project implementation. The approaches presented also demonstrated the potential value of combining flexibility and trust in researchers with proportionate control mechanisms focused on areas of higher financial and administrative risk.

The discussion underlined the need to maintain **appropriate flexibility and researcher autonomy within clear financial frameworks**. Given the dynamic nature of research projects, effective grant management should allow for reasonable adjustments to budgets, staffing and project activities while maintaining appropriate levels of oversight and accountability. In this context, principal investigators should remain actively involved in decisions concerning the scientific and resource needs of their projects, while institutional administrative structures provide the necessary support, guidance and financial control.

Another important conclusion concerned the **role of clear communication and early guidance** in preventing financial and administrative difficulties. Information sessions, accessible templates, direct contact with funding officers, and early consultation were identified as practical mechanisms for addressing uncertainties before they develop into compliance issues. The discussion also demonstrated that digitalisation and automation can streamline routine processes, while professional judgement and human oversight remain essential for more complex financial and compliance matters.

The experiences presented demonstrated that **there is no single approach to financial management that can be applied across all funding schemes and organisations**. Effective financial management should take into account the specific funding model, organisational structure and administrative capacity, while maintaining common principles of transparency, accountability and proportionality. In this context, simplified funding models such as lump-sum grants under Horizon Europe can help reduce the administrative burden of financial reporting and allow greater focus on project implementation. At the same time, regardless of the funding model, clear procedures and appropriate institutional support remain important for ensuring effective financial management and providing researchers with the necessary support throughout the project lifecycle.

From the Ukrainian perspective, the exchange was particularly relevant to the work of the National Research Foundation of Ukraine (NRFU) as a key national research funding institution. As noted by **Olga Polotska, Executive Director of the NRFU**, the Foundation already applies a number of approaches aligned with European practices in its grant management and financial procedures. The experiences presented during the webinar therefore provided a useful basis for further considering how such approaches can be developed and adapted to the Ukrainian research funding context, including through strengthening professional research management capacity, applying proportionate financial controls, clearly defining the roles of principal investigators and institutional support structures, and maintaining effective communication between researchers and funders. More broadly, the discussions confirmed that effective financial management should not be viewed solely as a control function, but also as an institutional support mechanism that enables researchers to implement projects effectively while ensuring the responsible use of public funding.

Key insights

- **Financial management approaches should be proportionate to the funding model and institutional context,** with appropriate mechanisms for flexibility, control and accountability.
- **Strong research management capacity and clearly defined institutional responsibilities are essential for effective grant management**, enabling researchers to focus on the substantive aspects of their projects while ensuring compliance with funding requirements.
- **Effective financial management requires a balance between researcher autonomy and institutional oversight**, with control mechanisms proportionate to the level of financial and administrative risk.
- **Digitalisation and automation can support financial management**, but current practice remains largely dependent on human oversight and institution-specific processes.
- **European approaches to research funding and financial management offer relevant models for further development of Ukraine's research management system**, particularly in strengthening institutional capacity and designing proportionate financial procedures that combine effective support for researchers with appropriate accountability.

Since the outbreak of the war in February 2022, Science Europe and its Member Organisations have undertaken a range of initiatives to support the National Research Foundation of Ukraine (NRFU) and the broader Ukrainian research ecosystem. As part of these efforts, NRFU and Science Europe jointly organised a series of three online workshops between September 2025 and February 2026, focusing on key priority areas relevant to the development and resilience of the Ukrainian research system.

The primary objective of the webinar series was to contribute to the capacity-building of the Ukrainian research ecosystem by facilitating knowledge exchange, sharing European experience, and discussing practical approaches to policy development and implementation.

The workshops addressed priority areas identified by the National Research Foundation of Ukraine, bringing together representatives of research funding organisations, research institutions, and policy experts to exchange insights and best practices.

Reports From Previous Webinars

- 19 September 2025 – Balancing bottom-up and top-down research funding
- 25 November 2025 – Developing and implementing monitoring tools for R&D projects
- 20 February 2026 – Open Science Policies and Practices of Research Funding Organisations
- 26 June 2026 – Transforming Research Assessment Systems: Criteria, Quality, and Societal Impact

25 September — **Financial Management of research projects: from grant application to successful implementation**

Programme

10.00–11.30 CEST *(11.00–12.30 EET)*

10.00–10.10 Welcome and introductory remarks

- **Olga Polotska**, Executive Director, National Research Foundation of Ukraine (NRFU)
- **Lidia Borrell-Damián**, Secretary General, Science Europe

10.10–11.25 Panel discussion

- **Aleksandra Butowt**, Directorate-General for Research and Innovation, European Commission
- **Gloria Gonzalez,** Research Manager, Madrid Institute of Materials Science (ICMM-CSIC)
- **Katriin Pirk,** Research Funding Officer, Estonian Research Council (ETAG)

Moderator:

- **Hans Willems**, Secretary General, Research Foundation Flanders (FWO)

11.25–11.30 Closing remarks

- **Lidia Borrell-Damián**, Secretary General, Science Europe

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Science Europe is the association of major research funding and research performing organisations in Europe. Our vision is for the European Research Area to have the optimal conditions to support robust education and research & innovation systems.

We define long-term perspectives for European research and champion best-practice approaches that enable high-quality research for knowledge advancement and the needs of society.

We are uniquely placed to lead advancements to the European Research Area and inform global developments through participation in research initiatives where science is a strong and trusted component of sustainable economic, environmental, and societal development.

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The National Research Foundation of Ukraine is the central organisation supporting competitive research and development projects across all fields of science in Ukraine.

Our mission is to strengthen the country's scientific potential, foster innovation, and enable researchers – especially early-career scientists – to contribute to knowledge advancement and societal development.

The NRFU promotes national and international research collaboration, invests in research infrastructure, and champions best practices to ensure high-quality scientific outcomes.