

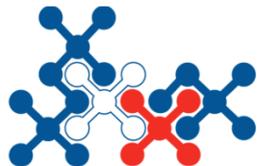


# Basic vs. Additional remuneration

National case study presentation

## POLAND

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### National Contact Point

FOR RESEARCH PROGRAMMES OF THE EU  
Institute of Fundamental Technological Research PAS

This presentation is based on materials from EC and/or Ministries and Agendas of RP





## USUAL REMUNERATION SYSTEM OF MANY POLISH RESEARCH ORGANIZATIONS

The salary consists of different components.  
Basic remuneration (relatively low) is supplemented by various bonuses.

**BONUSES** for:

publishing papers in journals

writing reports and reviews

giving lectures and consultations

merit based

participating in the national and international grants etc.



# TOTAL REMUNERATION

*Mandatory/authorised by national law,  
collective agreement or the  
employment contract*

## **BASIC REMUNERATION**

**+**

## **COMPLEMENTS**

**13th month payment**

**Complement for hazardous work**

**Management allowance**

**Seniority bonus**

**+**

## **VARIOUS BONUSES**

*authorised by national law,  
collective agreement or the  
employment contract*

**Participation in  
national and  
international grants**

**+**

**Other bonuses**



The internal practices of organizations can differ, but typically bonuses constitute substantial addition to the income of the best, pro-active scientists.

Each employee is monthly entitled to the amount set up in the employment contract and the possible various bonuses (supplementary payments).

The statistics are not known, but the experience shows, that the bonuses may reach more than 50% of the total salary. It effects that the basic remuneration is only a fraction of the income as shown in a yearly tax income.

The most problematic issue in reference to H2020 is bonus connected with participation in externally funded national and international grants.





- Bonuses could be charged if in accordance with defined criteria and normal practices of the beneficiary
- No limit (8000 EUR/year) applied
- Polish organisations were able to match up with FP7 rules

**Criteria for the „bonus payments” to be considered eligible (FP7 Financial Guide):**

- *Provided for in the internal regulations and/or practices of the organization.*
- *Apply to all projects (EU and non-EU projects, national and international) of the same kind.*
- *Must not result in a level of remuneration inconsistent with the current market conditions for a worker of the same category/grade/experience;*
- *Must be recorded in the accounts of the contractor as personnel costs and must be subject to taxes and social security charges applicable to salaries or specifically exempt from such taxes and/or charges.*





In 2006 the process of developing supplementary payment (bonus) regulation was triggered by recommendation of the Polish Ministry of Science and Higher Education, based on the explanatory consultations with the European Commission, aimed at clarifying the calculation of personnel costs in FP7.

After that a lot of Polish organizations introduced bonus regulations in line with FP7 rules (before that the bonus payments were usually not regulated in comprehensive way and based more at discretion than on rules).



At present in many organizations the bonus scheme applies to the **externally funded projects (not statutory sources)** - national and international. For work in the externally funded project, the employee gets supplementary remuneration (bonus). In this situation the salary of Polish researchers fluctuates considerably from months to months depending on their involvement in different projects.

The principles of paying bonuses, calculation methods, categories of employees falling under this scheme, maximum amount etc. are defined in the internal rules



# Situation in H2020

- H2020 does not accept the usual regulations and practices of the beneficiaries in reference to supplementary payments (bonuses) being one of the salary components.
- As in other externally funded projects the bonuses are eligible, H2020 rules on personnel costs lead to **disadvantageous situation for personnel working in H2020 projects** comparing to other projects (national, international), **what influence lacking motivation to participate.**



- According to H2020 rules, salary triggered by the EU project is treated as additional remuneration, limited to maxim. 8 000 EUR/year.
- Additional remuneration should be
  - calculated on the basis of criteria that are objective and generally applied by the beneficiary, regardless of the source of funding used

In case of many beneficiaries it is unfeasible to apply this possibility, as the regulations on bonuses in Poland usually refer to externally funded projects and bonus is granted for participation in the specific project.



- System of remuneration in Poland is in line with the principles on bonuses from FP7.
- H2020 regulations don't accept usual practices of the beneficiaries referring to supplementary payments (bonuses) being one of the salary components.
- H2020 system of personnel costs lead to **disadvantageous situation for personnel working in H2020 projects** comparing to other projects (national, international).
- Changing the system of remuneration in Poland in the near future is not feasible.

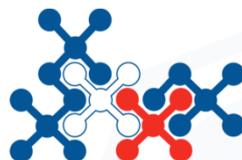


- Remuneration model based on unit costs as an option (next to real cost system) ?
- Going back to FP7 rules (8 000 limit in the RfP) ?
- Accept bonuses for participation in all externally funded projects as basic salary if it is in line with the usual rules and practices of the beneficiary and described in the employment contract (in line with RfP) ?





# Thank you very much for your attention



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