

# Financial Law Review

No. 25 (1)/2022

UNIVERSITY OF GDAŃSK • MASARYK UNIVERSITY • PAVEL JOZEF ŠAFÁRIK UNIVERSITY  
<http://www.ejournals.eu/FLR>

ELENA ANDREEVA\*

## COMPARATIVE LEGAL ANALYSIS OF BUDGET GRANT FUNDING OF SCIENCE IN THE EUROPEAN UNION AND THE RUSSIAN FEDERATION<sup>1</sup>

### Abstract

In this article, the author examines the most significant characteristics of a such method of budgetary funding for research in the European Union and Russian Federation as grant funding. Grants are actively used for these purposes in many countries. Grant funding is especially popular in the European Union. The analysis of research grants in Russia and the EU shows that the legal regulation and the grant process in mentioned public entities are very similar, but there are differences. The author focuses her attention on highlighting the advantages of grant funding of science in the EU and Russia to exchange of experience. The author uses the following scientific methods: collection of information on grant funding in the European Union and the Russian Federation, comparative analysis of legislation, observation, formulation of conclusions.

**Key words:** grants, budget funding, financial law, science, legislation, Financial Regulations of European Union and Russian Federation, Budget Code of Russian Federation.

**JEL Classification:** K23

---

\* Professor for Financial Law, Law Faculty, Saint-Petersburg State University, Russia. Author specializes in budgetary law and government finance. She is the author more than 60 reviewed articles in prestigious journals.

Contact email: [elenaandreeva09@gmail.com](mailto:elenaandreeva09@gmail.com), ORCID: 0000-0001-5238-9984.

<sup>1</sup> Within the framework of the RFBR grant No. 18-29-15035-mk "Comparative legal study of the mechanism for the appointment, issuance and use of grants in order to finance research, development and technological work".

## 1. Introduction

Grants are a universal form of research funding, as its can be provided from public and private resources. The grant support gives an opportunity to hold research in new and advanced areas, generally in areas that the government cannot fund on a permanent basis. Grants let to carry out a breakthrough development of the economy. The aim of the publication is a comparative analysis of the legislation on budgetary grant financing of scientific research in the European Union and in the Russian Federation. Author analyses the legal definition "grant" and grant procedure in European Union and Russian Federation. In the process of studying this topic, it is put forward a hypothesis about the similarity of the legal regulations of this activity in the two mentioned public entities. This hypothesis was confirmed by the practice of grant financing in Europe and Russia, as well as by the main legal documents of the European Union and Russia, dedicated to this topic, in particular Regulation (EU) 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 of the European Union No. 2018/1046], 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 («Horizon Europe» (2021-27) [Regulation Horizon Europe No.2021/695] and Budget Code of Russian Federation [Budget Code of Russian Federation], Federal Act of Russian Federation on August 3, 1998 No. 127-FZ “On Science and State Scientific and Technical Policy” [Federal Act on Science No. 127-FZ].

At the same time, the author also disclosed differences in the legal regimes of grants in Russia and the EU. The conclusions also are based on books and other publications on the subject of the article. Among most important of them should be named Paul L. Posner, Margaret T. Wrightson “Block Grants: A Perennial, But Unstable, Tool of Government” [Paul 1996: 87-108], Dilger, R.J., Boyd, E. “Block grants: Perspectives and controversies”, [Dilger 2011: 1-20], Zapol'Skii, S.V., Andreeva, E.M. “Grant as a special type of budget subsidies” [Zapol'Skii 2020: 73-81], Provalinsky, D.I. “Grants in the System of Legal Incentives: General Theoretical and Comparative Analysis” [Provalinsky 2017], Belyavsky O.V. „The legal regime of the grant as an instrument of state financing of fundamental scientific research in the Russian Federation: dissertation for the competition. scientific degree cand. legal Sciences” [Belyavsky 2019]. The author considers some elements of the European grant legislation to be implement into the budget legislation of Russia. In the article are used the following scientific methods: collection of information on grant funding

in the European Union and the Russian Federation, comparative analysis of legislation, observation, formulation of conclusions.

## **2. Grant legislation characteristic**

Both in Russia and in the European Union the grant legislation is built on the principle of a "ladder of generalizations". It is divided into levels, while normative legal acts of a lower level must comply with and not contradict acts of a higher level. For example, in Russia the Constitution of the Russian Federation is a document of the highest legal force. Thus, all other legal Russian acts must comply with it. The same way treaties of founding European Union and establishing the European governing bodies, for example, Treaty on European Union, Treaty on the Functioning of the European Union, Charter of Fundamental Rights of the European Union are most significant for European Union and its members.

In financial law world there are the same rules. There is a upper level act and others. Thus rules of research grant are under the common financial laws. Let's comment that rules in details.

The upper law level is the general rules for spending budget funds, including in the form of grants. In the European Union- it is Regulation 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. This document describes the entire process related with the adoption, implementation, control of the budget of the European Union. Chapter VIII of that Regulation contains 25 articles are devoted to grants (and this fact distinguishes Regulations from the Budget Code of the Russian Federation).

In Russia - it is Budget Code of Russian Federation [Federal act of July 31, 1998]. The Code, among other things, regulates the procedure for grant support, regardless of the recipient and the purpose of the grant. The word "grants" is mentioned in the code only 5 times. Neither chapter nor paragraph are devoted to them. Besides, a big role in regulation of state grants plays Decree of the Government of the Russian Federation of September 18, 2020 No. 1492 "On general requirements for regulatory legal acts, municipal legal acts regulating the provision of subsidies, including grants in the form of subsidies, to legal entities, individual entrepreneurs, as well as individuals - manufacturers of goods, works, services, and on the recognition as invalid of some acts of the Government of the Russian Federation and certain provisions of some acts of the Government of the Russian Federation" [Decree No. 1492]. But as followed of the title of the document it determines only requirements for future legal grant acts. In addition, the Decree has a subordinate

nature. The common financial rules of mentioned before legal documents are spread its power on funding science activity.

So, the second regulating level is legal acts about science activity and features of budget funding of science. For Russian federation - it is Federal Act "On Science and State Scientific and Technical Policy" (1998). It established that funding for science could be carried out through the creation of special funds. These funds are designed to provide funding for scientific programs and projects mainly through grants. At present, the Russian Science Foundation is functioning for these purposes. it was created by the Government of the Russian Federation [Official website of the Russian Science Foundation].

For the European Union this is a special, very ambitious Framework program for Research and Innovation "Horizon Europe" (2021-2027) aimed at funding science. it was adopted by Regulation (EU) 2021/695 of the European Parliament and of the Council on April 28, 2021 [Regulation Horizon Europe 2021/695]. This program started retroactively from January 1, 2021. The programme says that grants should be the main form of support in the Programme. Programme «Horizon Europe» contains the chapter 2 (22 articles). Articles defines types of innovation and research grants, procedure for calculating the amount of grants and other important grant characteristics.

The third laws level is acts on the provision of single scientific grants. For the Russia, these are, as a common, Decrees of the Government of the Russian Federation. It could be Government Decrees which are special state programmers are adopted or Decrees which establish features of some grants. For example, Decree of the Government of the Russian Federation on September 15, 2020 No. 1439 "On approval of the Rules for the provision of grants in the form of subsidies from the federal budget for the implementation of complex scientific and technical programs of the full innovation cycle and complex scientific and technical projects of the full innovation cycle" [Decree of September 15, 2020 No. 1439]. This decree sets out in details which entities can apply for these grants, as well as the procedure for its obtain and spending. Decree of the Government of the Russian Federation of August 25, 2017 No. 996 has approved the Federal Scientific and Technical Program for the Development of Agriculture for 2017-2025. This program contains actions of funding Scientific and Technical research under grants for the implementation of complex scientific and technical projects in the agro-industrial complex. The problem of legal regulation of grant financing in Russia is that the rules on grants are dispersed in different legal acts. At the same time, there is no single body coordinating and harmonizing this legislation. The difficulty of understanding grant financing in Russia lies

also in the fact that grants can be provided not only by the federal centre, but also by regions, as well as by local communities.

In European Union third laws level is creating the same way. Separate work programmes are adopted by European Commission within the Framework programmes. For instant, this are the Horizon Europe Work Programme 2021-2022 "Funding opportunities for universities" on 16 June, 2021, the Horizon Europe 2021-2022 Digital, Industry and Space work programme on June 16, 2021 [Work Programme «Digital, Industry and Space»], the Horizon Europe 2021-2022 Work Programme "Missions" on December 15, 2021 [Work Programme «Missions»]. Work programmes set out funding opportunities under Horizon Europe, for instant - one specific programme under Horizon Europe is implemented through the following. The main work programme Marie Skłodowska-Curie actions and research infrastructures under Pillar I, all clusters under Pillar II, European innovation ecosystems under Pillar III, the part widening participation and strengthening the European Research Area. Other work programmes cover European Research Council (ERC), Joint Research Centre (JRC) and European Innovation Council (EIC)/ A significant part of Pillar II of Horizon Europe will be implemented through institutionalised partnerships, particularly in the areas of Mobility, Energy, Digital and Bio-based economy, which will also have separate work programmes. The activities of the European Institute of Technology (EIT) are set out in separate programming documents. Horizon Europe is also implemented through another specific programme (the European Defence Fund) and is complemented by the Euratom Research and Training Programme. Each of these will also have a separate work programme [An official website of the European Union]. Each work programme contains different actions to achieve the goals of the Framework programme and like Russian government decrees describes forms of funding and details of participations. In our example it is Framework programme Horizon Europe (2021-2027). Work programmes set out funding opportunities under Horizon Europe. Funding of science is carried out according to Financial Regulation and Horizon Europe Framework Programme but work programmes could include exceptions. For example, common rule is grant should be awarded through calls for proposals. Nevertheless, some work programmes propose grants without this procedure. For example, grants for EU Public Infrastructure for the European Digital Twin Ocean within Mission: Restore our Ocean, seas and waters by 2030 which are provided Horizon Europe Work Programme 2021-2022 "Missions". This programme allows to award grants without a call for proposals.

The author considers grant agreements to be the lowest level of legal regulation of grant financing of science, since these agreements also contain compulsory rules. Grant

agreement is required by the law of European Union and Russian Federation. It concludes between state body and beneficiary and includes the specifics of awarding a grant to this person, rights and obligations of participants, as well as issues of responsibility.

### **3. Main features of Russian and European Union grant legislation and principles of grant funding**

The concept of a grant is used in many legal systems with approximately the similar content. Grant - from the English "to grant" means «to give donation or gift». Scientist Michail Lazar notes: "the term "grant" itself is of English origin, which provoked a discussion about, what country the term "research grants" comes from, USA or France" [Lazar 2015: 229-250]. In France, the tradition of awarding prizes for the best written answer to a competitive question posed by the Academy dates back to the beginning of the 18th century. Studentsova, E.A. claims that research grants originated in France, where in the 19th - early 20th centuries there is a gradual "crystallization" of grants, although similar processes took place during this period in some other Western countries (England, Germany). However, as can be seen from her research, the grants initially did not have modern characteristics, but gravitated towards prizes. Only in 1907 descendant of Napoleon - Roland Bonaparte donated 100,000 francs to the Academy as the grant. His main requirement was the division of this sum of money for the purpose of further distribution among talented researchers from different fields of science. Institutional grants could be awarded to any scientist who applied for participation in the competition, regardless of his popularity and previous results [Studentsova 2011: 191-197]. The word grant is used not only in the sense of grants in the field of science. However, there is no dispute that the first grants on the base of free charge, were issued for scientific research.

Let start to define grants in the modern legislation of European Union. The concept of a grant and the types of grants are disclosed in the Financial Regulation of the European Union No. 2018/1046. So, article 2 gives a rather laconically definition of a grant as a financial contribution in the form of a donation. In the earlier EU Financial Regulations (2012), a more detailed definition was given, which stipulated that grants are direct financial contributions in the form of donations from the budget to finance actions aimed at achieving the EU policy goal; the functioning of bodies that pursue the goal of the general interest of the European Union or have a goal that is part of or supports the policy of the European Union [Financial Regulation No 966/2012, art. 121]. Both definitions

indicate the grants are non-reimbursable. In addition, grants are a form of funding from the EU budget.

The issue of Russian legislation is it hasn't universal definition "grant", but instead has a several definitions (at least 5) in different legal acts aiming different goals. One of terms is enshrined in Art. 2 of the Federal act of August 23, 1996 No. 127-FZ "On Science and State Scientific and Technical Policy". It says, grants are understood as monetary and other funds transferred free of charge and irrevocably by citizens and legal entities on the terms provided by the grantors. Accordingly, in this law, grants are also characterized as funds transferred free of charge and irrevocably. Such grants are provided for the implementation of specific scientific research, which is logically based on the subject of regulation of the named act. However, among the "donors", only individuals or legal entities are indicated. This circumstances would be concluded this act does not regulate budgetary grants. At the same time, in article 16.2 of the act is stated that state support for innovative activities is permissible in the form of grants. Actually, in this law the word "grants" is named only four times. If we look through Budget Code of the Russian Federation, we can see the word of "grants" is mentioned there only in five articles. The concept of grants is not disclosed, however, from the interpretation of the rules of the Budget code follows that grants are provided in the form of subsidies, the recipients of which are legal entities or individuals. Studying of Budget Code of the Russian Federation leads to the conclusion that many essential aspects of grant activities are not touched upon in it. As already noted, there is no definition of grants, the aims of grants is not indicated, general rules for the provision and use of grants are not established. There is no responsibility for its inappropriate or ineffective use, and other violations.

It is important to touch upon the issues of terminology. Thus, in the Financial Regulation of the European Union No. 2018/1046, two types of grants are distinguished [Financial Regulation of the European Union No. 2018/1046, Art. 180]. The first are called "operating grants" or grants for "the operating costs of a particular organization" - these are grants for the functioning of a body which has an objective forming part of, and supporting, a Union policy. Operating grants shall take the form of a financial contribution to the work program of the bodies referred to Regulation. The second ones are "action grants" intended to fund an actions to help achieve a Union policy objective. That divide is intended for grants for any purpose, for example, for refugees or the poor, for innovation and science, projects to protect the environment, etc. The commented terminology is universal and is used in grant funding, including scientific activities, which is confirmed in the Horizon Europe Framework programme.

In author's opinion, the term "Grants" can only be used in relation to the second type of grants (action grants). Operating grants in their economic essence are a different form of funding of scientific or other activities. It seems that the word "grant" can only mean funds for financing certain projects in a given direction. Grantees must be selected on a competitive basis. When we talk about Operating grants, we mean the financing of someone's ongoing activities that are not related to the implementation of any project. Perhaps the problem is that the word "grants" is extremely broadly defined in the European Union's Financial Regulations of the European Union No. 2018/1046 as a form of donation [Financial Regulation of the European Union No. 2018/1046, Art. 2]. For example, in Russia, in this case, the general term of "subsidies" is used. Author likes to use term «quasi-grants» to describe such type of funding. There are many forms of funding's called grants that aren't actually grants in Russia and other countries. For example, grants from the President of the Russian Federation to support individuals who have shown outstanding abilities. According to the Procedure for their provision, its are paid to students for academic achievements, but do not involve spending the grant on the study itself and on the fulfillment any projects [Decree of the Government of the Russian Federation on December 19, 2015 No 1381]. For such grants, it is provided a report not on the targeted spending of funds, but on the student's compliance in subsequent years of study with the criteria set out in the conditions for receiving a grant. In our opinion, such funds are more suitable for the category of "social benefits".

In some countries (Canada, Australia, member states of the European Union) the term "grants" is used very broadly. In our understanding it is difficult to qualify as grants the Australian Government's \$1,000 Back to Work grants for low-income women who have been out of work for a long time and are willing to take a course of self-confidence, work planning workshops etc. [Official website of the grant support of the Australian Government]. Such money can rather be seen as an allowance. Examples of quasi-grants are grants from the European Union budget to non-governmental health organizations specializing in the treatment of chronic diseases - cancer, HIV / AIDS, rare diseases and smoking prevention [Official website of grants funded by the EU 3rd Health Programme] or grants from the State of Mississippi (USA) provided to non-profit arts organizations of this state, which have the goal of their activities to hold events aimed at the development of art, holding performances, holding exhibitions, etc. [Official website of the Government of the State of Mississippi USA].

It is interesting, the US Government website explains that "a grant is one of the ways the government funds ideas and projects to provide public services and stimulate the



economy. Grants support critical recovery initiatives, innovative research, and many other programs" [Official website of the Government of the United States of America].

There are no principles of Grant Support in the Russian legislation, except of principles of budget system in the Budget Code of Russian Federation, such as also transparency, targeted use of budget funds (author thinks it is the same as principle of specification in EU), effectiveness of budget expenditures and cetera. But most of this principles don't fit for regulating grant support.

On the other side Financial Regulation of the European Union No. 2018/1046 do have that principles. So let's name its and detailed some of them. Article 188 of Financial Regulation EU contains such general principles as equal treatment; transparency; co-financing; non-cumulative award and no double financing; non-retroactivity; no-profit. The principle «Transparency» means grants shall be awarded following a publication of calls for proposals. But there are exemptions. In Russia grants could be awarded on and without the calls-of-proposals base. But in most cases it is used competition procedure. «Co-financing» could be explain as grants shall involve co-financing. As a result, the resources necessary to carry out the action or the work programme shall not be provided entirely by the grant. Forth principle of «non-cumulative award and prohibition of double funding» means each action may give rise to the award of only one grant from the budget to any one beneficiary, except where otherwise authorized in the relevant basic acts. Very important principle. One action also couldn't be financed twice in Russia. But Russian legislation as was said before doesn't have the same provision, so it is possible the situation if some beneficiary will receive the state money for science research twice. Different public authorities manage grants for science research in Russia and there is no one information collect center about grants already awarded. «No-profit» principle could be understood as grants shall not have the purpose or effect of producing a profit within the framework of the action or the work programme of the beneficiary. But it is interesting, that this principle doesn't apply to actions implemented by non-profit organizations. There is no the same provision in Russia. Principle of "non-retroactivity" means unless otherwise provided grants shall not be awarded retroactively.

#### **4. Recipients (beneficiaries) and grant process**

In European Union and Russian Federation are allowed to finance from the budget all groups of recipients. But there is one difference. Article 197 Financial Regulation of the European Union No. 2018/1046 defines applicants shall be legal and natural persons, and

entities which do not have legal personality. Last persons are not listed on Budget code of Russian Federation.

New provision in the EU and Russian research grants legislation is permitted commercial legal entities to pretend on grant support. It was stated by new EU Framework programme Horizon Europe 2021-2027. In the preamble of the Framework programme it is emphasized that «The pillar 'Innovative Europe' should establish a series of measures for the provision of integrated support to respond to the needs of entrepreneurs and entrepreneurship aiming to realises and accelerate breakthrough innovation for rapid market growth». Fast and flexible grants and co-investments should be offered, including with private investors. The new European program on innovations and research pays great attention on supporting small and medium-sized enterprises, especially start-ups. For these purposes, the European Commission has created a special directorate - the European Innovation Council (EIC), which will absorb a large amount of Horizon-Europe 2021-2027 funds, planning subprograms and individual activities. The program emphasizes that it is aimed at supporting those projects that are not financed from private sources due to the high risks of not receiving a positive result.

Number of amendments in Russian federal act "On Science and State Scientific and Technical Policy" had been adopted by federal Act of July 21, 2011. No. 254-FZ. Amendments were aimed to commercialize of scientific results, which means its involving in the economic turnover. So, in the federal act "On Science and State Scientific and Technical Policy" the concept of "innovative project" appeared, which is defined as a set of measures aimed at achieving economic effect for the implementation of innovations, including the commercialization of scientific and (or) scientific and technical results. Innovative projects can be funded through grants. Thus, an innovative project can be considered a symbiosis of scientific and investment activities to make a profit. In addition, it follows from the Act that research grants can be provided any entities, including to business legal entities. There is also no direct prohibition on grant funding from public funds of commercial organizations in the Budget Code of the Russian Federation. Thereby, we can safely say that today in Russia state grant support for commercial projects in the field of science is allowed.

And the question arises is it wright to finance commercial legal entities? On the one hand, research seems to be an example of an area that is not related with commerce. Business goals may not be consistent with the goals of the future and sustainable development of society and could also slow down science development. On the other hand, this is not true. First, scientific research can be utilitarian in nature and carried out with the aim of

developing a new product; secondly, scientific research can be carried out by commercial legal entities and, conversely, be of a fundamental nature; third, extent gap between science and industry is not justified. However, the legalization of free and irrevocable financial assistance to commercial organizations creates ground for abuse by make decision persons in its distribution and the senseless waste of public finances. Thus, the question of the goals of funding become of great importance during the planning grant support of scientific activities of commercial organizations. Apparently, grants should be provided for research projects which qualify to political aims of given political entity or state, for example, sustainable development. Moreover, the scientific results achieved at the grant expense should be freely available for further use. This conclusion is relevant for grants awarded in any other areas.

As the example let's use the EU Framework Programme for Research and Innovation Horizon Europe (2021-2027). Article 3 establishes the programme objectives. Among them are to generate knowledge, strengthen the impact of R&I in developing, supporting and implementing Union policies and support the access to and uptake of innovative solutions in European industry, in particular SMEs, and in society to address global challenges, including climate change and the SDGs; to foster all forms of innovation, facilitate technological development, demonstration and knowledge and technology transfer, strengthen deployment and exploitation of innovative solutions. In the article 14 Programme are founded the basics of 'open science'. It means open access to scientific publications resulting from research funded under the Programme and open access to research data, including those underlying scientific publications, in accordance with the principle 'as open as possible, as closed as necessary'. Such very significant rules don't exist in Russian legislation. Of cause for every state grant in Russia are determined the purposes but it is more important to set general goals for all grant support.

- As a problem in the European Union and in the Russian Federation it is necessary to highlight is the complicated system of authorized bodies to manage grant process. The issue of the management of funding science and other spheres through the grants is distribution of responsibilities for the implementation of the Framework Programmes among a wide range of special bodies. The financial distribution grants for scientific activity in the European Union is carried out through:
- the Directorates of the European Union created within the framework of the European Commission, namely: The Directorate-General for Research and

Innovation (DG RTD), the European Research Council (DG ERC), Joint Research center (DG JRC); European Innovation Council (EIC);

- a special European agency of the European Union - the European Institute of Innovation and Technology (EIT);
- the formations created under the European Union related to the objects of the scientific infrastructure of the EU (Research Infrastructures) - the European Research Infrastructure Consortium (ERIC), which is a legal entity; the European Strategy Forum on Research Infrastructures (ESFRI) which is a self-governing association without the rights of a legal entity, consisting of representatives from EU Member States, meeting four times a year [Activities and Procedural Guidelines for the European Strategy Forum on Research Infrastructures (revision March 2017)].

Likewise in the Russian Federation there is decentralization of grant management. A lot of Ministries of Russian government to have powers to administrate state grant funding without any central subordination. For example, some research grants are spread out by the Ministry of Agriculture of the Russian Federation, by the Ministry of Industry and Trade of the Russian Federation, by a special authorized body - the Russian Science Foundation, which is a legal entity under state property. As a result, it is difficult to evaluate amount of public moneys for research grants in Russian Federation. To be frank, the Russian Science Foundation is the main administrator of funds allocated for scientific grants in the Russian Federation. The Foundation's website says that in 2020 the Foundation supported scientific projects worth on 21 billion roubles (the equivalent of approximately 250 million euros) [Official website of the Russian Science Foundation]. The budget for the last seven-year research and innovation program of the European Union Horizont 2020 was 80 billion euros. Accordingly, it was approximately 11.4 billion euros per year.

Grant process in the Russian Federation has the same stages as in the European Union. Author had counted eight of them:

- Call of proposals;
- Submission proposals;
- Winners selection (evaluation process);
- Grant agreement;
- Partial funding;
- Performance the project;
- Final full funding;

- Finance reporting.

At the same time, there are the distinctions. For example, in Russian Federation commented process could include less stages. In European Union grants are awarded on a competitive basis as a general rule. While the interpretation of article 78 of the Budget Code of the Russian Federation demonstrates that competition for grants in Russia are the exception rather than the rule. Should be added Article 195 of the Financial Regulations of the European Union. It provides an exhaustive list of cases when the tender may not be held. For example, such exceptions for grants for research and technological development include grants where the EU regulation expressly provides for their non-competitive basis, as well as grants to bodies (not legal entities – author) for activities with specific characteristics that require a certain type of body in by virtue of its technical competence, high degree of specialization or administrative powers. There are no such detailed regulations in the Russian legislation.

A positive feature of the grant process of the European Union is the existence of a single site for applications for all grants. This site gives an opportunity all interested persons to receive information about the possibility of applying for grant support for their research. This site contains the information about all calls of proposals for grants in different spheres including research grants [Official website of European Union Funding & tender opportunities]. In the Russian Federation, there is no general site for informing about grants or other forms of state funding for individuals. There is no even a single site for grants in the field of science. Thus, the Russian Science Foundation has its own website. However, as mentioned above Foundation does not administrate all types of scientific grants, but only those that are provided for it by the federal budget. Information on other grants is posted on the websites of other state executive bodies (for example, the Ministry of Industry and Trade of the Russian Federation). In the author's opinion, in Russia by analogy with the European Union, a unified search system for information on grants should be organized.

Financing in the European Union is preceded by the signing of a grant agreement. A similar agreement is concluded with grant recipients in the Russian Federation. The model of grant agreement is developed by the bodies implementing the program and at the time of the announcement of the project competition, it must be made publicly available to all potential participants.

For example, on the website of the Russian Science Foundation – one of the Russian operators for providing grants in the field of innovations, there is also a sample of the grant

agreement on providing a grant to the winner [Official website of the Russian Science Foundation]. However, unlike this sample, the model form of the EU grant agreement contains not only the provisions of the agreement itself, but also an annotation to each of its paragraphs. These comments, as it were, adapt a complex legal text for the average consumer and help applicants to better understand the requirements for them. Thus, the preamble to the grant agreement states that the purpose of the abstract is “to help users understand and interpret the grant agreement, avoiding technical vocabulary, legal references, and help readers find answers to any practical questions”. We believe this experience could be adopted in Russia from foreign colleagues.

## 5. Conclusion

The aim of the publication was a comparative analysis of the legislation on budgetary financing of scientific research through grants in the European Union and the Russian Federation. So author analysed main legal acts of the Russian Federation and European Union which determine the legal regimes of research grants in Russia and European Union. It was considered definition "grant", legal status of beneficiaries and authorized bodies, general principles applicable to grants, grant process. Great attention author paid such stages of grant process as order of placement of information of grant support and calls of proposals. At the beginning of this research has been put forward a hypothesis of the similarity of the grant legal regulations in the two commented public entities. For the most parts, this hypothesis was confirmed by the study. Both in Russia and in the European Union legislation are built on a principle of “ladder of generalization”, which means the rules of lower legal force obey the rules of higher legal force. Author also didn't find big differences in the potential range of grant beneficiaries as well as in the stages of the grant process in both jurisdictions

But, of course Russian and European Union grant law systems have distinctions. Firstly, the European Union legislation on grants distinguishes from the Russian's its extensiveness and thoroughness. Most of the important provisions on the distribution, spending and control over the use of grants are concentrated in the normative acts of the highest legal force - the Regulations adopted by the EU Parliament. All procedures related to grants are regulated in details. Secondly, a distinctive feature of the European Union legislation is the presence of a large number of general provisions (one might say of an abstract nature), which are extremely disliked by both the Russian legislator and the persons to whom such regulation is directed. Nevertheless, such an approach to regulation makes it possible to

cover the maximum range of participants and possible behaviour, and thus to ensure universal and comprehensive legal support. Especially valuable in this method of legal technique seems is establishing of the principles of legal regulation of grant assistance in the European Union. There are other small differences mentioned above.

## References

- Andreeva, E. M., Zapol'skij S.V.: Grant kak osobaja forma bjudzhetnoj subsidii [Grant as a special type of budget subsidies]: *Finansy: teorija i praktika* [Finances: Theory and Practice], vol. 24, no. 2 2020.
- Beljavskij, O. V.: Pravovoj rezhim granta kak instrumenta gosudarstvennogo finansirovanija fundamental'nyh nauchnyh issledovanij v Rossijskoj Federacii: dissertacija na soisk. uchenoj stepeni kand. jurid. Nauk [The legal regime of the grant as an instrument of state financing of fundamental scientific research in the Russian Federation: dissertation for the competition. scientific degree cand. legal Sciences]: Moscow, 2019.
- Dilger, R.J., Boyd, E.: Block grants: Perspectives and controversies in: A. C. Moretti (ed.), *Selected Block Grants: Purposes, Funding and Controversies*, New York: Nova Science Publishing Inc.: 2011.
- Lazar, M.G.: Grantovye sistemy finansirovanija nauki: vozniknovenie i osobennosti v raznyh stranah [Grant systems for financing science: emergence and features in different countries] (Stat'ja 1), *Uchenye zapiski RGGMU6* [Scientific notes of the Russian State Humanitarian University] no. 3, 2015.
- Paul L. Posner, Margaret T. Wrightson: Block Grants: A Perennial, But Unstable, Tool of Government: *The Journal of Federalism*, vol. 26, no. 3, 1996.
- Provalinskij D.I. Granty v sisteme pravovyh stimulov: obshheteoreticheskij i sravnitel'nyj analiz: avtoref. dis. kand. jurid. Nauk: 12.00.01 [Grants in the System of Legal Incentives: General Theoretical and Comparative Analysis: Abstract of the thesis. dis. cand. legal Sciences], Penza, 2017.
- Studencova E.A.: Istoricheskij analiz formirovanija sistemy issledovatel'skih grantov vo Francii [Historical analysis of the formation of the system of research grants in France], *Izvestija Smolenskogo gosudarstvennogo universiteta* [Proceedings of the Smolensk State University], no. 4, 2012.

## Legal Acts

- Activities and Procedural Guidelines for the European Strategy Forum on Research Infrastructures (revision March 2017).  
Available at:  
<https://ec.europa.eu/programmes/horizon2020/en/h2020-section/research-infrastructures-including-e-infrastructures>, accessed: 5<sup>th</sup> May, 2021.
- Postanovlenie Pravitel'stva RF ot 18.09.2020 N 1492 "Ob obshhijh trebovanijah k normativnym pravovym aktam, municipal'nym pravovym aktam, regulirujushhim predostavlenie subsidij, v tom chisle grantov v forme subsidij, juridicheskim licam, individual'nym predprinimateljam, a takzhe fizicheskim licam - proizvoditeljam tovarov, rabot, uslug, i o priznanii utrativshimi silu nekotoryh aktov Pravitel'stva Rossijskoj Federacii i otdel'nyh polozhenij nekotoryh aktov Pravitel'stva Rossijskoj Federacii [Decree of the Government of the Russian Federation of September 18, 2020 No. 1492 "On general requirements for regulatory legal acts, municipal legal acts regulating the provision of subsidies, including grants in the form of subsidies, to legal entities, individual entrepreneurs, as well as individuals - manufacturers of goods, works, services, and on the recognition as invalid of some acts of the Government of the Russian Federation and certain provisions of some acts of the Government of the Russian Federation"]: *Sobranie zakonodatel'stva RF* [Collection of legislation of the Russian Federation] 2020, no. 39, art. 6069.
- Postanovlenie Pravitel'stva RF ot 15.09.2020 N 1439 "Ob utverzhdenii Pravil predostavlenija grantov v forme subsidij iz federal'nogo bjudzheta na realizaciju kompleksnyh nauchno-tehnicheskijh programm polnogo innovacionnogo cikla i kompleksnyh nauchno-tehnicheskijh proektov polnogo innovacionnogo cikla" [Decree of the Government of the Russian Federation on 15, 2020 N 1439 "On approval of the Rules for the provision of grants in the form of subsidies from the federal budget for the implementation of complex scientific and technical programs of the full innovation cycle and complex scientific and technical projects of the full innovation cycle"]: *Sobranie zakonodatel'stva RF* [Collection of legislation of the Russian Federation] 2020, no. 39, art. 6034.
- Decree of the Government of the Russian Federation on December 19, 2015 No 1381 "On the procedure for providing and paying grants from the President of the Russian Federation to



- support individuals who have shown outstanding abilities" [Postanovlenie Pravitel'stva RF ot 19.12.2015 N 1381 «O porjadke predostavlenija i vyplaty grantov Prezidenta Rossijskoj Federacii dlja podderzhki lic, projavivshih vydajushhiesja sposobnosti»]: Sobranie zakonodatel'stva RF [Collection of Legislation of the Russian Federation] 2015, no. 52, art. 7606.
- Horizon Europe Work Programme 2021-2022 «Digital, Industry and Space» of the European Commission Decision C(2021)9128 of 15 December 2021  
Available at:  
[https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-7-digital-industry-and-space\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-7-digital-industry-and-space_horizon-2021-2022_en.pdf), accessed: 7<sup>th</sup> January, 2022.
- Horizon Europe Work Programme 2021-2022 «Missions» of the European Commission Decision C (2021) 9128 on 15 December 2021  
Available at:  
[https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-12-missions\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-12-missions_horizon-2021-2022_en.pdf), accessed: 12<sup>th</sup> December, 2021.
- Horizon Europe Work Programme 2021-2022 «Widening participation and strengthening the European Research Area» of the European Commission Decision C(2021) 9128 of 15 December 2021  
Available at:  
[https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-11-widening-participation-and-strengthening-the-european-research-area\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-11-widening-participation-and-strengthening-the-european-research-area_horizon-2021-2022_en.pdf), accessed: 12<sup>th</sup> December, 2021.
- 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.  
Available at:  
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046&qid=1642079683116>, accessed: 8<sup>th</sup> December, 2021.
- Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) N°1605/2002 (canceled).  
Available at:  
<https://eur-lex.europa.eu/eli/reg/2012/966/oj> accessed: 21<sup>st</sup> August, 2021.
- Bjudzhetnyj kodeks Rossijskoj Federacii" ot 31.07.1998 N 145-FZ [The Budget Code of the Russian Federation of July 31, 1998, No. 145-FZ]: Sobranie zakonodatel'stva RF [Collection of the legislation of the Russian Federation] 1998, no. 31, Art. 3823.
- Federal Act of Russian Federation on August 3, 1998 No. 127-FZ "On Science and State Scientific and Technical Policy" [Federal'nyj zakon ot 23.08.1996 N 127-FZ "O nauke i gosudarstvennoj nauchno-tehnicheskoy politike"]: Collection of Legislation of the Russian Federation [Sobranie zakonodatel'stva RF] 1996, no. 35, art. 4137.

## Internet Resources

- Official website European Union Funding & tender opportunities Single Electronic Data Interchange Area (SEDIA)  
Available at:  
<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-search;callCode=null;freeTextSearchKeyword=;matchWholeText=true;typeCodes=1;statusCodes=31094501,31094502,31094503;programmePeriod=2021%20-%202027;programCcm2Id=43108390;programDivisionCode=null;focusAreaCode=null;geographicalZonesCode=null;programmeDivisionProspect=null;startDateLte=null;startDateGte=null;crossCuttingPriorityCode=null;cpvCode=null;performanceOfDelivery=null;sortQuery=sortStatus;orderBy=asc;onlyTenders=false;topicListKey=topicSearchTablePageState> accessed: 12<sup>th</sup> January, 2022.
- Official website of the Russian Science Foundation.  
Available at:

- <https://rscf.ru/> , accessed: 12<sup>th</sup> January, 2022.
- Official website of the grant support of the Australian Government  
Available at:  
<https://www.communityservices.act.gov.au/women/return-to-work-grants-program>,  
accessed: 8<sup>th</sup> January, 2021.
- Official website of the Government of the United States of America.  
Available at:  
<https://www.usa.gov/grants>, accessed: 8<sup>th</sup> January, 2022.
- Official website of grants funded by the EU 3rd Health Programme.  
Available at:  
<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/fpa-01-2014;freeTextSearchKeyword=%20grants;typeCodes=1;statusCodes=31094503,31094501,31094502;programCode=null;programDivisionCode=null;focusAreaCode=null;crossCuttingPriorityCode=null;callCode=Default;sortQuery=openingDate;orderBy=desc;onlyTenders=false;topicListKey=topicSearchTablePageState>, accessed: 1<sup>st</sup> March, 2021.
- Official website of the Government of the State of Mississippi USA.  
Available at: <https://arts.ms.gov/grants-for-organizations/operating-grants/>, accessed: 8<sup>th</sup> February, 2020.
- Official website of the European Union  
Available at:  
[https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/horizon-europe-work-programmes\\_en](https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/horizon-europe-work-programmes_en),  
accessed: 14<sup>th</sup> December, 2021.