

Eligibility requirements of expenditure

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GENERAL ELIGIBILITY REQUIREMENTS

To be eligible for funding within Interreg V A Italy-Croatia Programme, expenditure have to fulfill all the following general criteria:

- ✓ Expenditure are related to the preparation and implementation of the project as approved by the Monitoring Committee, are essential for the achievement of the agreed project activities and would not be incurred if the project is not carried out;
- ✓ Expenditure must comply with the principle of efficiency, effectiveness and economy;
- ✓ Expenditure must comply with the principle of real costs, with the exception of the costs calculated as flat rates and lump sums;
- ✓ Expenditure are **incurred and paid** by the beneficiaries indicated in the AF during the eligibility period of the project;
- ✓ Expenditure relate to activities that have not been 100% financed from other financial instruments (double-funding is excluded);

GENERAL ELIGIBILITY REQUIREMENTS

- ✓ Expenditure are registered in the beneficiary's accounts through a separate accounting system or an adequate accounting code set in place specifically for the project;
- ✓ Expenditure are supported by invoices or other documents with probative value directly attributable to a certain beneficiary with the exception of the costs calculated as flat rates and lump sums;
- ✓ Expenditure are in line with eligibility rules on EU, Programme and national eligibility rules. The relevant procurement rules have been observed, if applicable;
- ✓ Expenditure are not in contradiction with any specific eligibility criterion applicable to the respective budget line;
- ✓ Expenditure have been validated by an authorised First Level Controller.

BUDGET LINES' SPECIFIC ELIGIBILITY REQUIREMENTS

1. *Preparation costs (Lump sum of max 15.000€ per Project ERDF+Co-financing)*
2. Staff costs
3. Office and administration
4. Travel and accommodation
5. External expertise and services
6. Equipment
7. Small scale infrastructure and construction works

For all Budget Lines, the following key info are provided in FS n.6:

- ✓ Definition
- ✓ Form of reimbursement
- ✓ Reporting requirements
- ✓ Audit trail
- ✓ Examples

STAFF EMPLOYED BY THE BENEFICIARY

Gross employment costs

Salary payments fixed in employment document or by law

&

Any other costs directly linked to salary payments (employment taxes and social security) IF fixed in employment doc or by law, in accordance with legislation and standard practices and not recoverable.

Staff costs – Forms of reimbursement

FLAT

20%

**REAL
COSTS**

- **Full time**
- **Part-time with fixed % of time per month**
- **Part-time with flexible no. hours per month**
 - (a) Monthly working time OR
 - (b) *Simplified cost option* of 1720h
- **Hourly basis**

Office and administration

FLAT 15%

Operating and administrative expenses of the day-to-day operations occurred by the beneficiary and necessary for the implementation of the project

Exhaustive list defined in Del. Reg. 481/2014 and in FS no. 3

Automatically calculated as 15% of eligible direct staff costs



EXAMPLE

Eligible reported staff costs
€36,000
Flat rate for office and
administration 15%
Eligible reported office and
administrative
expenditure: €36,000 *
15% = €5,400

Travel and accommodation

**Staff of
beneficiary
travelling for
project
purposes**

Exhaustive list defined in Del. Reg. 481/2014
and in FS no. 3:

- Travel costs
- Cost of meals
- Accommodation costs
- Visa costs
- Daily allowances

External expertise and services

Services and expertise provided by a public or private body or a natural person outside the beneficiary organization

Costs paid on the basis of contracts or written agreements and against invoices or requests for reimbursement

Exhaustive list defined in Del. Reg. 481/2014 and in FS no. 3

Public procurement rules

EU + Programme + National + Internal rules → the stricter applies

Programme rule: bid-at-three > 5.000€ excl. VAT; adequacy of costs must always be insured

Equipment

Equipment purchased, rented or leased by a beneficiary other than those covered by the BL Office and administration

Exhaustive list defined in Del. Reg. 481/2014 and in FS no. 3 (Tools or devices; laboratory equipment; machines and instruments;...)

- **Pro-rata:** If partially used → Degree of use for the project
- **Depreciation** → costs relate to the period of support for the project (period of use)
- In case of **new thematic equipment** exclusively used for project purposes the **full cost** of new equipment is eligible
- New **thematic equipment** must be purchased no later than 6 months before the closure of the project
- **Equipment for general (office) use** already in possession of the beneficiary organisation is NOT eligible.
- New **equipment for general (office) use** must be purchased within 6 months of the project duration

Small scale infrastructure and construction works

Small scale infrastructure & construction works

Small scale Infrastructure and construction works may either refer to an object (e.g. a building) that will be set up ex-novo or to the adaptation of an already existing infrastructure

List of eligible elements / works expenditures (in line with exhaustive list defined in Annex II of the Directive 2014/24/EU) in Factsheet no. 3

PUBLICITY REQUIREMENTS: Where the total public support for a project carrying out infrastructure and/or construction works **exceeds EUR 500.000**, it is obligatory to establish temporary billboards during their implementation. No later than three months after completion of the infrastructure, projects have to put up a permanent plaque or billboard.

Where the total public support for a project with infrastructure or construction measures does **not exceed EUR 500.000**, at least one poster (minimum size A3) has to be placed on the infrastructure or construction, or (if not possible) at a place nearby readily visible to the public.

THANK YOU FOR YOUR ATTENTION!

Italy-Croatia Joint Secretariat

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