



# Financial aspects in Interreg CE 2021-27



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Interreg CENTRAL EUROPE | Ministerstvo investícií, regionálneho  
rozvoja a informatizácie Slovenskej republiky  
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# INTERREG CE 14-20 VS INTERREG CE 21-27

	Interreg CE 14-20	Interreg CE 21-27
General		
ERDF Co-financing rate	80% (AT; DE; IT) 85% (CZ; HR; HU; PL; SI; SK)	80% for all
Application		
Preparation & Contracting Lump Sum	Max € 15.000 (Total)	€ 17.500 (Total)
WPs in AF	All WPs in AF (WP M, WP T, WP C, WPI)	No WP M, WP C, WPI
Threshold for investment description in AF	€ 15.000 (BL5 & BL6) Specific WP for Investment	€ 25.000 (CC5 & CC6) No specific WP for Investment
Budget in AF	Per Partner/BL/WP/Period	Per Partner/CC/Period

# INTERREG CE 14-20 VS INTERREG CE 21-27

	Interreg CE 14-20	Interreg CE 21-27
Eligibility		
VAT	Recoverable VAT not eligible	Recoverable VAT eligible if project budget is less than 5 mEUR
Gifts	Eligible if cost per gift does not exceed € 50. Max. € 500 for gifts at project level	Gifts are NOT eligible
Programme procurement rule	Programme threshold - € 5.000 (excl. VAT)  Private PPs had to follow procurement procedures similar to applicable EU/national rules	Threshold is now € 10.000 (excl. VAT)  For private PPs only market research required (unless stricter national rules apply)
PPs from outside CE area	PP budget - maximum 20% of project ERDF	No limitation (however only allowed in duly justified cases)

# INTERREG CE 14-20 VS INTERREG CE 21-27

	Interreg CE 14-20	Interreg CE 21-27
SCOs and Cost Categories		
Terminology	Budget Lines (BLs)	Cost categories (CCs)
Staff Costs	For staff working part-time in the project - 3 possible calculation options: fixed % of time per month; Flexible no. of hours per month (1.720 calculation method); hourly rate as per contract	For staff working part-time in the project - ONLY 1 option i.e. fixed % of time per month
Travel and accommodation costs	Real costs	Flat rate (country specific)
Equipment costs	Distinction between office equipment and thematic equipment	No distinction
Infrastructure and works	Not specifically foreseen as a budget line in the regulations therefore a programme-specific BL was set up	Foreseen as a separate cost category including a definition (coming from regulation) of what constitutes this category
Direct costs calculated as 40% of staff costs	N/A	New possibility

# HIERARCHY OF RULES

## Hierarchy of ELIGIBILITY Rules

1. EU Rules as set out in the Regulations (CPR; ERDF and Interreg)

2. Programme Rules as set out in the programme manual

3. National/institutional rules **BUT ONLY** for matters not covered by eligibility rules set in the EU and programme rules

- This hierarchy is **ONLY** for eligibility of expenditure. All other applicable EU and national rules are on a higher hierarchical level than rules set by the Interreg CE Programme

# REIMBURSEMENT OPTIONS IN INTERREG CE 2021-2027

**Real Costs**

(i. actually paid and accounted for)

**Simplified Cost  
Options (SCOs)**

Flat Rates %

Fixed Lump Sum

Possible to combine...BUT not all combinations are possible

# SIMPLIFIED COST OPTIONS IN INTERREG CE

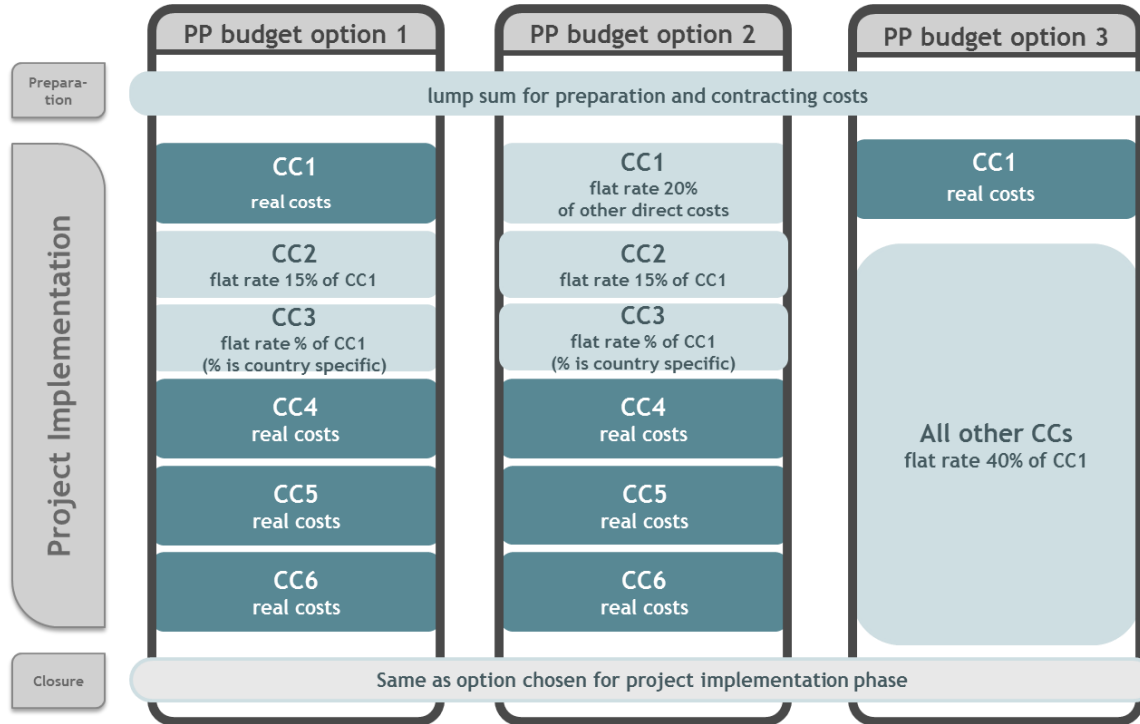
## Lump sum for preparation and contracting

- ✓ Also applied in CE14-20 - Amount increased from € 15.000 to € 17.500 total cost (€14.000 ERDF)
- ✓ Has to be included in AF (Part E) for the amount to be eventually paid

## Flat rates

Cost Category (CC)	Features
Staff costs (CC1)	<ul style="list-style-type: none"><li>➤ 20% of the direct costs other than the direct staff costs - i.e. External expertise and services (CC4); Equipment (CC5) and Infrastructure and works (CC6)</li><li>➤ Not mandatory. To be decided at Partner level when drafting the AF</li><li>➤ Also applied in CE14-20</li></ul>
Office & administrative costs (CC2)	<ul style="list-style-type: none"><li>➤ 15% of eligible staff costs</li><li>➤ Mandatory</li><li>➤ Also applied in CE14-20</li></ul>
Travel & accommodation costs (CC3)	<ul style="list-style-type: none"><li>➤ ___% of eligible staff costs (% depending on country)</li><li>➤ Mandatory</li><li>➤ New</li></ul>
Direct costs other than Staff Costs (i.e. CC2-6)	<ul style="list-style-type: none"><li>➤ 40 % of eligible direct staff costs</li><li>➤ Not mandatory. To be decided at Partner level when drafting the AF</li></ul>

# Possible combinations at partner level



Options have to be chosen by the PPs in the AF and remain throughout project lifetime. Ineligible expenditure in a CC has an impact on flat rates that have the CC as a basis for the calculation



# FOCUS ON STAFF COSTS (CC1)

## Staff Costs - Definition

- ✓ Consists of **gross employment costs** of staff employed by the beneficiary for implementing the project
- ✓ Staff can either be **already employed** by the beneficiary or **contracted specifically** for the project
- ✓ Staff may be employed vis-à-vis the project either on a **full-time basis** or on a **part-time basis**

NOTE: Payments to natural persons working for the beneficiary under a contract other than an employment contract may be assimilated to salary payments and such a contract is considered as an employment document. Such costs are eligible under CC1 if all the required conditions are met. Beneficiaries should pre-check with their national controllers.

# FOCUS ON STAFF COSTS (CC1)

## Staff Costs - Reimbursement Options

Real Costs

Full-time on project

Part-time on project

100% reimbursed

- Calculated as a fixed % of working time of an employee on the project per month
- % stipulated in working contract/task assignment doc
- % cannot change per month

20% flat rate

- Calculated as 20% of CC4-6
- No documentation needed - demonstrate that at least 1 employee is involved in the project
- Best option for one-man companies

# FOCUS ON STAFF COSTS (CC1)

## Staff Costs - Examples of Calculations

### Fixed % per month

- Monthly gross employment costs of the employee working on the project is EUR 5.000,00
- Employee assigned to work 50% of the total working time in the Interreg CENTRAL EUROPE project.

**Staff costs to be claimed = Total monthly salary (gross salary) \* Fixed percentage**

Staff costs to be claimed = EUR 5.000,00 \* 50% = EUR 2.500,00

### 20% Flat rate

- In the financial reporting period 1, the beneficiary incurred and reported the following direct costs:

External expertise and services: EUR 15.500,00

Equipment: EUR 1.500,00

**Total amount: EUR 17.000,00**

**Staff costs to be claimed = total direct costs \* 20%**

EUR 17.000,00 \* 20% = EUR 3.400,00

# PROCUREMENT RULES

For contracts of works/supplies/services rules on procurement have to be followed



EU  
National  
Programme

The  
stricter rule  
applies



> 10.000 EUR  
< national/EU  
thresholds

Adequate market  
research is required



Procurement  
rules also apply  
to private  
partners

Private partners have to  
follow the programme rule  
i.e. market research for  
contracts above 10.000 EUR  
(with exceptions)